



Comprehensive Annual Financial Report

Fiscal Year Ended June 30, 2010



BIRDVILLE INDEPENDENT SCHOOL DISTRICT
Haltom City, Texas

Notice: The information presented in this report has not been updated for events that occurred subsequent to the date of the independent auditors' report.

BIRDVILLE INDEPENDENT SCHOOL DISTRICT



COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended June 30, 2010

Issued By

Finance Department
Dr. Quentin Burnett
Associate Superintendent



Birdville Independent School District

All students succeed in a future they create.

BIRDVILLE INDEPENDENT SCHOOL DISTRICT
 Comprehensive Annual Financial Report
 Year Ended June 30, 2010

	<i>Page</i>	<i>Exhibit</i>
Certificate of Board	1	
Introductory Section		
Board of Trustees and Administration	4	
Organization Chart	5	
Letter of Transmittal	7	
Financial Section		
Independent Auditors' Report	17	
Management's Discussion and Analysis (Unaudited)	19	
Basic Financial Statements		
Government-wide Financial Statements:		
Statement of Net Assets	33	A-1
Statement of Activities	35	B-1
Governmental Funds Financial Statements:		
Balance Sheet	36	C-1
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets	39	C-2
Statement of Revenues, Expenditures, and Changes in Fund Balances	40	C-3
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities	42	C-4
Proprietary Fund Financial Statements		
Statement of Net Assets	44	D-1
Statement of Revenues, Expenses, and Changes in Fund Net Assets	45	D-2
Statement of Cash Flows	46	D-3
Fiduciary Funds Financial Statement:		
Statement of Fiduciary Assets and Liabilities	47	E-1
Notes to Basic Financial Statements	49	
Other Supplementary Information		
Required Supplementary Information		
Budgetary Comparison Schedule – General Fund	71	G-1
Notes to Required Supplementary Information	72	
Combining and Individual Fund Statements and Schedules		
Combining Balance Sheet – Nonmajor Governmental Funds	74	H-1
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds	82	H-2
Schedule of Changes in Assets and Liabilities – Agency Fund	91	H-3

Required TEA Schedules		
Schedule of Delinquent Taxes Receivable	94	J-1
Schedule of Expenditures for Computation of Indirect Cost for 2011-2012	96	J-2
Budgetary Comparison Schedule – Child Nutrition Program	97	J-4
Budgetary Comparison Schedule – Debt Service Fund	98	J-5

Statistical Section (Unaudited)

		Schedule
Net Assets, Governmental Activities	102	I
Change in Net Assets	104	II
Fund Balances, Governmental Funds	106	III
Changes in Fund Balances, Governmental Funds	108	IV
Assessed Value and Actual Value of Taxable Property	110	V
Direct and Overlapping Property Tax Rates	112	VI
Principal Property Taxpayers	114	VII
Property Tax Levies and Collections	115	VIII
Ratios of Outstanding Debt by Type	114	IX
Direct and Overlapping Bonded Debt	115	X
Legal Debt Margin Information	118	XI
Ratios of Net General Bonded Debt Outstanding	120	XII
Demographic and Economic Statistics	121	XIII
Principal Employers	122	XIV
Full-Time Equivalent District Employees by Type	123	XV
Teacher Base Salaries	124	XVI
Operating Statistics	125	XVII
Capital Asset Information	126	XVIII

Compliance and Federal Awards Section

		Exhibit
Required TEA Schedule		
Fund Balance and Cash Flow Calculation Worksheet (Unaudited)	131	J-3
Federal Awards		
Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Governmental Audit Standards</i>	133	
Independent Auditors' Report on Compliance With Requirements Applicable to Each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133	135	
Schedule of Findings and Questioned Costs	137	
Schedule of Prior Audit Findings	139	
Corrective Action Plan	140	
Schedule of Expenditures of Federal Awards	141	K-1
Notes to Schedule of Expenditure of Federal Awards	142	

**BIRDVILLE INDEPENDENT SCHOOL DISTRICT
CERTIFICATE OF BOARD**

<u>Birdville Independent School District</u>	<u>Tarrant</u>	<u>220-902</u>
Name of Local Education Agency	County	County-District Number

We, the undersigned, certify that the attached annual financial report of the above named school district was reviewed and

Approved	Disapproved
<u>6</u>	<u>0</u>

For the year ended June 30, 2010 at a meeting of the Board of Trustees of such school district on the 18th day of November, 2010.



Signature of Board Secretary



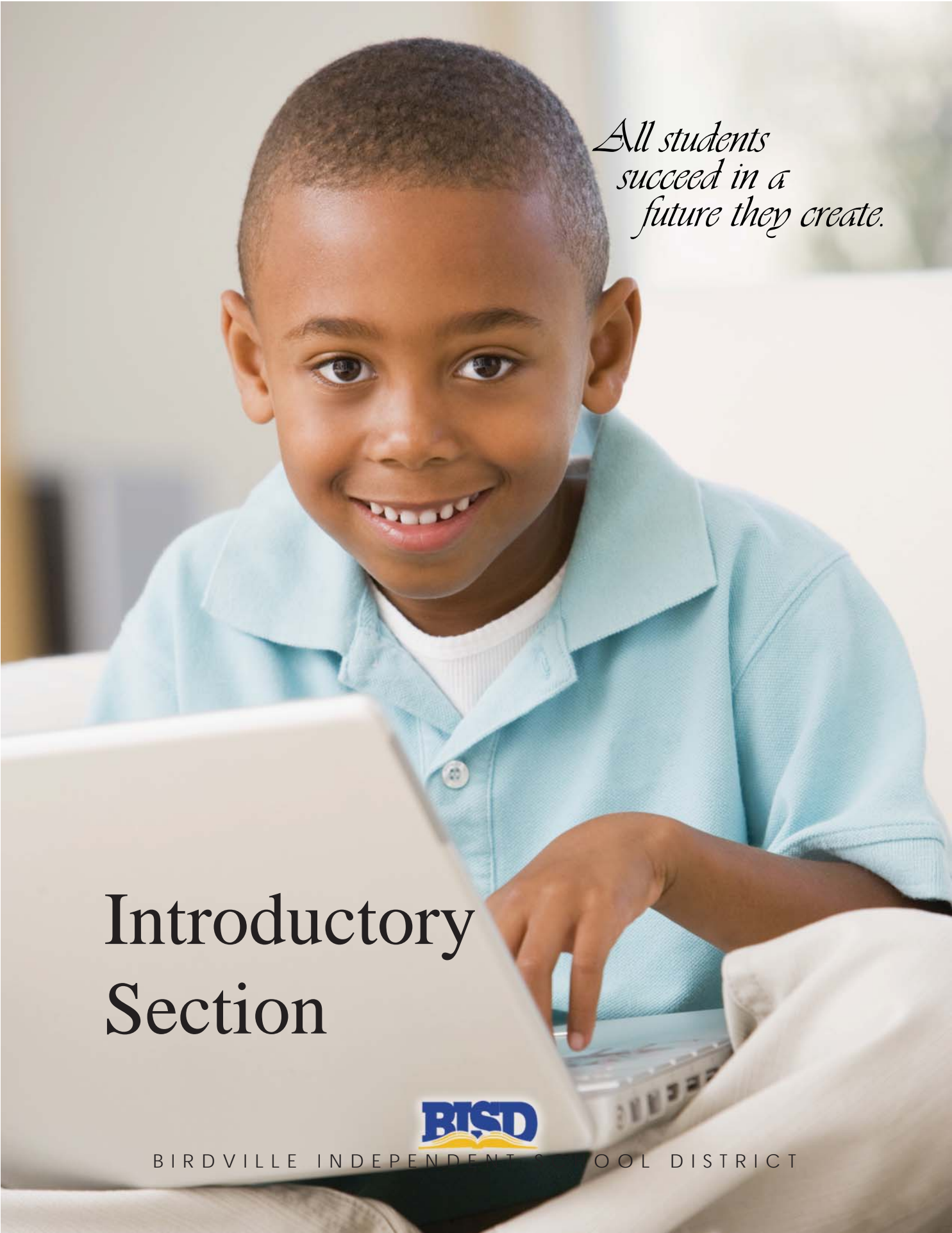
Signature of Board President

If the Board of Trustees disapproved the auditor's report, the reason(s) for disapproving it are:



Birdville Independent School District

All students succeed in a future they create.



*All students
succeed in a
future they create.*

Introductory Section



BIRDVILLE INDEPENDENT SCHOOL DISTRICT

BOARD OF TRUSTEES

Mr. Joe Tolbert	President
Mr. Richard Davis	Vice President
Mr. Ralph Kunkel	Secretary
Mr. Brad Greene	
Mr. Cary Hancock	
Mr. David Pokluda	
Ms. Dolores Webb	

SUPERINTENDENT

Dr. Stephen F. Waddell

ASSOCIATE SUPERINTENDENT, STAFF AND STUDENT SERVICES

Dr. Jay Thompson

ASSOCIATE SUPERINTENDENT, FINANCE

Dr. Quentin Burnett

ASSOCIATE SUPERINTENDENT, CURRICULUM AND INSTRUCTION

Dr. Lane Ledbetter

EXECUTIVE DIRECTOR, TECHNOLOGY INFORMATION MANAGEMENT SYSTEMS

Ms. Julie Wallace


DIRECTOR OF BUSINESS

Ms. Katie Bowman, CPA

DIRECTOR OF ACCOUNTING

Ms. Jennifer Bedwell




Board of Trustees 2009-2010
 Dolores Webb (President) Joe Tolbert (Vice President) Richard Davis (Secretary)
 Brad Greene Cary Hancock Ralph Kunkel Wanda Strong



Superintendent
 Stephen F. Waddell
 817-547-5722

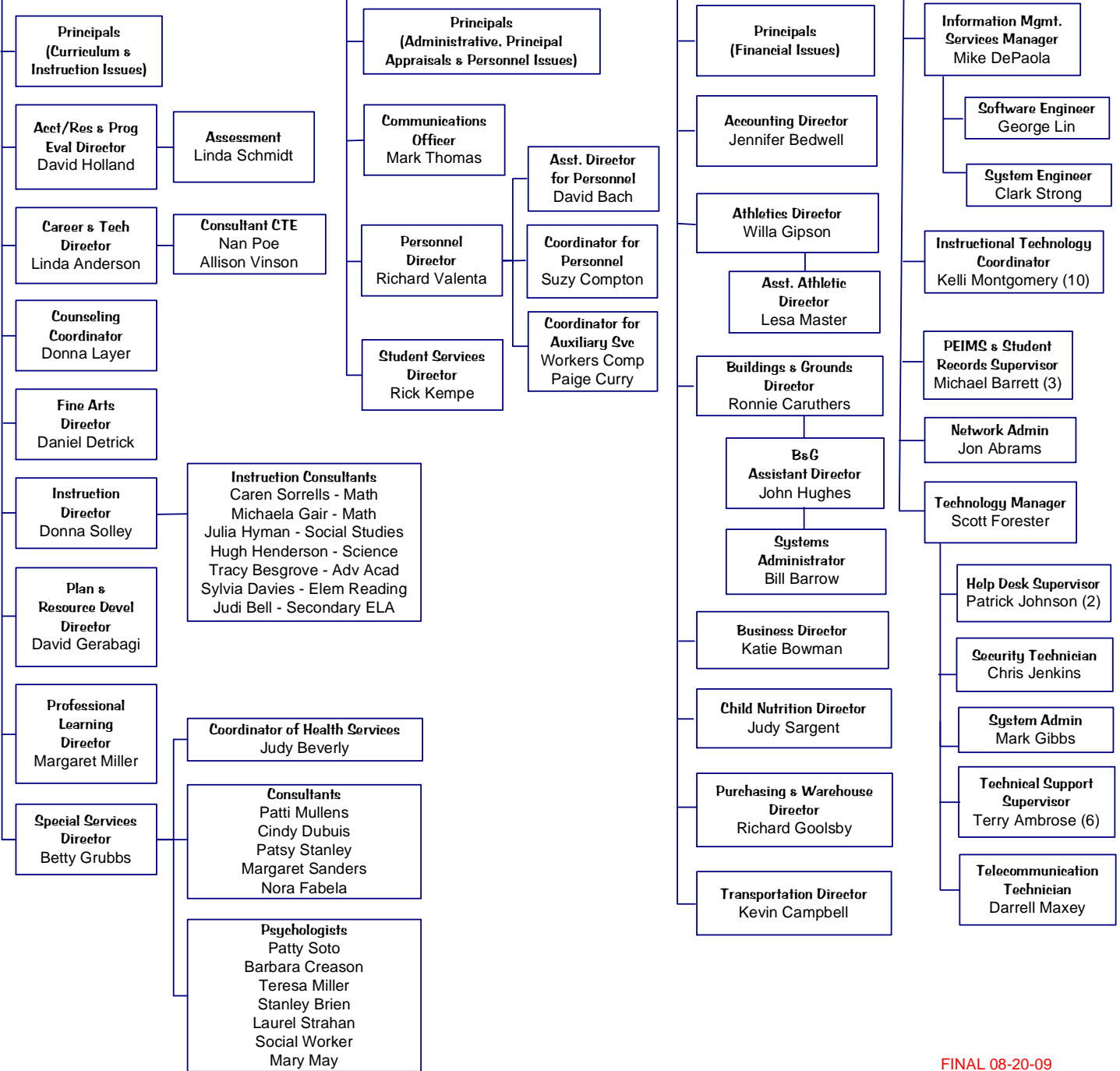
Attorney
 J.B. Morgan

Curriculum & Instruction
 Associate Superintendent
 Lane Ledbetter
 817-547-5749

Staff & Student Services
 Associate Superintendent
 Jay C. Thompson
 817-547-5714

Finance
 Associate Superintendent
 Quentin Burnett
 817-547-5735

TIMS
 Executive Director
 Julie Wallace
 817-547-5600





Birdville Independent School District

All students succeed in a future they create.



Birdville Independent School District

Stephen F. Waddell, Ed.D. • Superintendent

6125 East Belknap • Haltom City, Texas 76117 • 817.547.5700 • Fax 817.547.5530 • www.birdvilleschools.net

November 18, 2010

To the Board of Trustees and the Citizens of the Birdville Independent School District:

The Texas Education Code requires that all school districts file a complete set of financial statements with the Texas Education Agency (TEA) within 150 days of the close of each fiscal year. The financial statements must be presented in conformity with generally accepted accounting principles (GAAP) and audited by a firm of licensed certified public accountants in accordance with generally accepted auditing standards. Pursuant to that requirement, we hereby issue the Comprehensive Annual Financial Report of the Birdville Independent School District (the District) for the year ended June 30, 2010.

This report consists of management's representations concerning the finances of the District. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The financial statements of the District have been audited by Hankins, Eastup, Deaton, Tonn & Seay, P.C., a firm of independent certified public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the District for the year ended June 30, 2010, are free of material misstatement. The independent audit involves examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the District's financial statements for the year ended June 30, 2010, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

The independent audit of the financial statements is part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports may be found in the Compliance and Federal Awards section of this report.

*All students succeed
in a future they create.*

—BISD Vision

GAAP require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The District's MD&A can be found immediately following the report of the independent auditors.

Profile of the District

The name Birdville has its roots from the 1850's settlement established by Jonathon Bird. While classes are estimated to have begun in 1855, the first school, Birdville Academy, opened in 1858 on Birdville Hill. Students from Dallas, Denton, and Parker counties attended classes in Birdville. In 1884, the boundaries of the District were established resulting from the passage of school law reform by the Texas legislature. Major growth in the District didn't occur until 1916 when trustees rode horseback throughout the District to push for the passage of the first bond program. The bonds issued in 1919 allowed the District to erect a new brick school building housing 156 students. In 1926, the District was incorporated as Birdville Independent School District.

Residents of the District elect a seven-member Board of Trustees (the Board), each of whom serves for three-year staggered terms with at large elections held each year. Monthly meetings of the Board are posted and advertised as prescribed under law so that the Board may fulfill its charge to the students, staff, and taxpayers of the District. Special meetings and workshops are scheduled as needed. The Board has final control over all school matters except as limited by state law.

The District currently spans 40 miles in Tarrant County and covers the entire community of Richland Hills and parts of Colleyville, Fort Worth, Haltom City, Hurst, North Richland Hills, and Watauga within its boundaries. The District provides a well-rounded program of public education for children from pre-kindergarten through grade twelve. The District also offers special education, gifted and talented, bilingual/ESL, compensatory education, college preparatory, dual college credit, and career and technology programs. The District is fully accredited by the Texas Education Agency (TEA).

During 2009-2010, the District operated three traditional high schools for students in grades nine through twelve, an alternative high school, a career and technology education center, seven middle schools, and twenty-one elementary schools. Enrollment for the 2009-2010 school year was 22,897, an increase of approximately 1.7 percent over the prior year.

The District attracts highly qualified personnel due to its commitment to excellence. During the 2009-2010 year, the District employed over 2,800 staff consisting of 1,581 professionals, 227 professional support, 262 educational aides, and 784 auxiliary staff. Professional employees include 1,489 teachers with an average of 11.9 years of experience. Over 28 percent of the teachers have earned master's degrees and/or doctorate degrees. The average student teacher ratio for the year was 15.4. Texas law mandates that no more than 22 students can be assigned to one classroom teacher in kindergarten through fourth grade.

Organizational Philosophy

The core ideology of the District outlines the direction of the District and the expectation held for all employees. The mission, vision and belief statements define these core values and represent the foundation for the District's continued success.

Mission

We engage and encourage students and staff every day through meaningful work in a safe and caring environment.

Vision

All students succeed in a future they create.

Beliefs

- Every student is uniquely capable and deserves to learn each day.
- Meaningful work engages students in profound learning.
- Personal commitment to quality from everyone in the learning organization creates student and staff success.
- Trusting relationships in a safe and caring environment are vital to an innovative learning organization.
- Student success requires community support and engagement.
- Quality public schools build and preserve a healthy democratic society.

Economic Condition and Outlook

Birdville ISD is located in the northeastern portion of Tarrant County between the cities of Fort Worth and Dallas. It is traversed by numerous highways and is in close proximity to the Dallas-Fort Worth International Airport. The District is located in an area between Dallas-Fort Worth Airport and Alliance Airport.

Local Economy. The national recession appeared somewhat less severe on the residents of the District during 2009-2010, with 2009 property values holding steady. However, appraisals completed in January 2010 for the 2010 tax roll, reflect a significant decline of around seven percent over the 2009 values. Growing mineral values related to the Barnett Shale natural gas wells across North Texas have kept property values from dropping further. Hold-harmless formulas in the Texas School Finance system and increases in student enrollment have kept the District revenues fairly stable.

Population. The population in the District has increased about nine percent since 2001 to approximately 138,700 including about 53,000 households. The student enrollment has grown nearly eight percent over this same period and is estimated to remain flat for the next several years.

Financial Information

Budgetary Control. State law requires that every local education agency in Texas prepare and file an annual budget of anticipated revenues and expenditures with the Texas Education Agency. The objective of budgetary controls is to ensure compliance with legal provisions embodied in the annual budget approved by the Board. The budget itself is prepared utilizing a detailed line item approach for Governmental Fund types and is prepared in accordance with the budgeting requirements as outlined in the Financial Accountability System Resource Guide for Texas school districts. The Board formally adopts the General Fund, Debt Service Fund, and Child Nutrition Fund.

The District also maintains an encumbrance accounting system as a budgetary control. Outstanding encumbrances at the end of the fiscal year are rolled forward into the subsequent fiscal period and budget amendments are implemented accordingly.

It is the intent of the District that the budgetary process results in the most effective mix of the educational and financial resources available while attaining the goals and objectives of the District. The ultimate decision of the level of funding and the programs to be funded rests with the Board. After considering all factors, the Board sets an ad valorem tax rate that generates sufficient revenues to support the expenditure budget of the District.

The budget may be amended during the year to address unanticipated or changing needs of the District. A change to functional expenditure categories in the general fund, debt service fund, or child nutrition fund requires Board approval.

State Funding. Prior to the 2006-2007 fiscal year, the State of Texas provided funding for public education based on a financing formula which weighed student attendance levels, property value per student, the District's tax effort, and regional variations in payroll and other costs. In response to the decision in school finance litigation known as the West Orange-Cove case, the Texas Legislature enacted House Bill 1 (HB1). This new legislation made significant changes in the funding of Texas school districts effective for the 2006-2007 fiscal year. Under HB1, districts are "held harmless" for state revenue based on a "target revenue amount" per weighted average daily attendance (WADA). Increases or decreases in tax revenues no longer have a significant positive or negative financial impact on a district's finances.

Currently, there is a great discrepancy in the target revenue amount per WADA across Texas school districts. During the first two years of implementation, the target revenue per WADA for Texas districts ranged from \$3,657 to \$12,149 with the average at \$5,076. The District's target revenue per WADA was \$4,588 at that time. Due to increases passed during the 2009 legislative session, the District's current target revenue per WADA is \$4,915 compared with the state average of \$5,323. The District currently has the second lowest target revenue in Tarrant County. Access to the approximate \$400 per WADA difference in the average state rate would have generated an additional \$11 million for the District.

Internal Control. Management is responsible for designing, implementing, and maintaining adequate, efficient, and effective systems of internal control. These systems of control provide reasonable, but not absolute, assurance that:

- District assets and critical records are safeguarded from loss, theft, or misuse;
- Authorized transactions are promptly and accurately recorded;
- District resources are efficiently and economically employed; and,
- Financial reports are prepared in accordance with GAAP.

The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of “reasonable assurance” recognizes that (1) the cost of a control should not exceed the benefit likely to be derived from its implementation; and (2) the valuation of cost and benefits requires estimates and judgments by management. Management believes the internal controls adequately meet the above objectives.

Cash Management. Cash available in excess of cash requirements was invested in the Texpool, TASB’s Lone Star Investment Pool, MBIA Texas Class, Bank of America money market account, and U.S. Government Agency Securities. The average yield on investments was approximately .39 percent while the average yield on the six month U.S Treasury bill was .22 percent for the quarter ended June 30, 2010. The District’s investment policy minimizes risk while maintaining a competitive yield on its portfolio. District deposits were fully covered by Federal Deposit Insurance Corporation (FDIC) insurance and pledged collateral for the year ended June 30, 2010.

Risk Management. The objectives of the risk management program are to safeguard the assets of the District, minimize the financial effect of potential losses, and to provide a reasonable level of employee benefits at an affordable funding level.

The District’s property and casualty insurance is provided by national commercial carriers on a fully insured basis. Risks associated with worker’s compensation are maintained through a self-funded worker’s compensation plan. Specific and aggregate stop loss coverage is purchased through a national carrier.

The District provides a health insurance plan through the state’s TRS Active Care and provides other voluntary benefits including dental, vision, life, disability, and cancer.

Major Initiatives and Accomplishments

Birdville Center for Technology and Advanced Learning – The District opened their new facility for technology and advanced learning in the fall of 2009. Advanced career and technology courses offered to students include A/V Production, Architecture, Automotive Technology, Cisco Networking, Computer Maintenance, Construction Technology, Cosmetology, Culinary Arts, Education and Training, Engineering, Health Science Technology, Law/Public Safety/Corrections, and Marketing/Sales/Service.

Open Enrollment – The District began opening enrollment to students outside the District boundaries beginning in the 2008-2009 school year. The program has expanded and now includes more than 500 students from eighteen area districts. These additional students have generated over \$2.5 million for the District.

Scholarship Fund – In September 2009, the Board designated \$7.5 million of the District’s oil and gas lease revenue to establish a scholarship fund. The fund will provide scholarships for District students attending Tarrant County College beginning in the fall of 2010. The scholarship covers the first year of tuition up to \$1,500.

District High School Bands Invited to 2011 Rose Bowl Parade – In September 2009, the District was notified that District high school band students were invited to march in the 2011 Tournament of Roses New Year’s Day Parade in Pasadena, CA. Birdville ISD bands were the only Texas group invited. Over 500 students from the three high school bands will be participating in the event.

Community of Respect Everywhere (CORE) – CORE not only reflects a fundamental belief of the District, but also represents a new initiative the District began which promotes positive and safe learning climates while developing responsibility, accountability, and respect. CORE is a deliberate effort to help individuals understand, care about, and act upon core values. The curriculum creates opportunities to engage students in thoughtful discussion and reflection regarding ethical and moral choices, thus developing critical thinking skills and an understanding of personal and cultural differences.

Awards and Acknowledgements

The Financial Integrity Rating System of Texas (FIRST), a financial accountability system for Texas school districts, was developed by the Texas Education Agency in response to Senate Bill 875 of the 76th Texas legislature in 1999. The primary goal of FIRST is to achieve quality performance in the management of school district financial resources, a goal made more significant due to the complexity of accounting associated with the Texas school finance system. The District has been awarded a “superior” rating under the FIRST system each year since inception. The “superior” rating is the highest possible financial rating available, demonstrating the quality of Birdville ISD’s sound financial management and reporting systems.

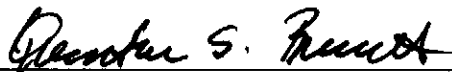
The District was recognized by the Texas Comptroller’s office in May 2010 as a district with high efficiencies coupled with high student achievement. The Comptroller acknowledged the District as a “Best Practices” district and requested the District provide a list of processes and procedures that model why certain districts produce high student achievement while operating on fewer financial resources.

The preparation of this report on a timely basis could not have been accomplished without the dedicated services of the Business and Accounting Department staff. We would like to express our sincere appreciation to the members of these departments who assisted and contributed to the preparation of this report. We would also like to express appreciation to the Board of Trustees for their support and interest in the financial operations of the District. Finally, we would like to thank the residents of the District for their support of and belief in our public schools and the principals and teachers who provide the quality education for which the District is known.

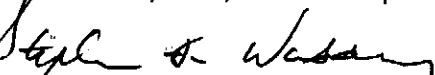
Respectfully submitted,



Katie Bowman, CPA, Director of Business



Quentin S. Burnett, Ph.D., Associate Superintendent for Finance



Stephen F. Waddell, Ed.D., Superintendent of Schools



Birdville Independent School District

All students succeed in a future they create.

Financial Section

*All students succeed
in a future they create.*



BIRDVILLE INDEPENDENT SCHOOL DISTRICT



Birdville Independent School District

All students succeed in a future they create.

INDEPENDENT AUDITORS' REPORT

Board of Trustees
Birdville Independent School District
Haltom City, Texas

Members of the Board:

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Birdville Independent School District (the District), as of and for the year ended June 30, 2010, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Birdville Independent School District as of June 30, 2010, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 3, 2010, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 19 through 29 and 71 through 72 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquires, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's financial statements as a whole. The introductory section, combining and individual nonmajor fund financial statements, statistical section, and the required TEA schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the financial statements. The combining and individual nonmajor fund financial statements, the required TEA schedules, excluding the Fund Balance and Cash Flow Calculation Worksheet (Exhibit J-3) which is marked unaudited and on which we express no opinion, and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Hankins, Eastup, Deaton, Tonn & Seay

Hankins, Eastup, Deaton, Tonn & Seay
A Professional Corporation
Certified Public Accountants

November 3, 2010

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the Birdville Independent School District's (the "District") annual financial report presents our discussion and analysis of the District's financial performance during the fiscal year ended June 30, 2010. It should be read in conjunction with the independent auditors' report preceding and the basic financial statements following this section.

FINANCIAL HIGHLIGHTS

- At June 30, 2010, the District's assets exceeded its liabilities by \$52,504,846 (net assets). The unrestricted portion of \$13,119,821 may be used to meet the District's ongoing obligations.
- The District's total net assets increased by \$135,893 during the year ended June 30, 2010.
- At the close of the fiscal year, the District reported \$77,663,442 combined governmental fund balance, a decrease of \$18,332,151 from the prior year. The decrease is primarily attributable to bond construction expenditures. Of the combined fund balance at year end, the District had \$36,113,640 or 46.5% available for the District's ongoing obligations (unreserved and undesignated fund balance).
- As of June 30, 2010, the General Fund's unrestricted, unreserved fund balance was \$35,197,858 representing 23.6% of total general fund expenditures in the current fiscal year.

OVERVIEW OF THE FINANCIAL STATEMENTS

The District's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also contains required supplementary information and other supplementary information in addition to the basic financial statements themselves.

The basic financial statements include two types of statements that present different views of the District, the government-wide financial statements and the fund financial statements.

Government-wide Financial Statements

The government-wide financial statements, including the *Statement of Net Assets* and the *Statement of Activities*, report on the District as a whole and are designed to provide readers with a broad overview of the District's finances. These statements are presented on the accrual basis of accounting similar to the accounting basis used by most private-sector entities.

The *Statement of Net Assets* presents information on all of the District's assets and liabilities including capital assets and long-term debt. The value of assets less liabilities is reported as net assets. The *Statement of Activities* presents the increases and decreases in net assets for the current fiscal year regardless of when cash is received or paid. Increases and decreases in net assets over time may serve as one indicator of whether the financial position of the District is improving or deteriorating but should be considered with additional factors as well.

Government-wide financial statements distinguish net assets and the changes in net assets between *governmental activities*, which are supported principally by taxes and intergovernmental revenues, and *business-type activities*, which are intended to recover all or a significant portion of their costs through user fees and charges. All of the District's activities are reported as *governmental activities* as they are primarily financed by property taxes, state aid, and federal grants. The District has no *business-type activities*. The government-wide financial statements can be found on pages 33-35 of this report.

Fund Financial Statements

The fund financial statements provide detailed information about the District's most significant funds as opposed to the District as a whole. Funds are accounting devices used to account for specific sources of funding and spending for particular purposes. State law and bond covenants require the District to establish some funds. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related requirements.

The District's funds include three types: 1) governmental funds, 2) proprietary funds, and 3) fiduciary funds.

Governmental funds

Most of the District's activities are reported in governmental funds. Governmental funds report on the modified accrual basis of accounting which focuses on 1) how cash and other financial resources can be readily converted to cash inflows and outflows and 2) the balances remaining at year end available for future spending. The governmental fund statements provide a detailed short-term view of the District's operations and funds available to finance future operations. Because the focus and accounting methods are different for the governmental fund statements and the government-wide statements, reconciliation schedules are presented following each of the fund financial statements. The governmental fund financial statements can be found on pages 36-43 of this report.

Proprietary funds

Proprietary funds are used to account for operations that provide services and or goods for a fee, whether to outside users or units within the District. Proprietary funds use the accrual basis of accounting the same as the government-wide financial statements. There are two types of proprietary funds, enterprise funds and internal service funds. The enterprise funds report the same functions presented as *business-type activities* in the government-wide financial statements. Internal service funds are an accounting tool used to accumulate and allocate costs internally among various functions. The District uses an internal service fund to report activities for its self-funded workers compensation insurance program. The District has no enterprise funds. The proprietary fund financial statements can be found on pages 44-46 of this report.

Fiduciary funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are *not* available to support the District's own programs. The District is the trustee, or fiduciary, for these funds and is responsible for ensuring that the assets reported in these funds are used for their intended purposes. The District uses fiduciary funds to account for money raised by student activities. The fiduciary fund financial statement can be found on page 47 of this report.

Table I below provides a concise view of the major features of the District's financial statements including the portion of the District they cover and types of information they contain.

Table I				
Major Features of the District's Financial Statements				
	Government-wide Statements	Fund Statements		
		Governmental Funds	Proprietary funds	Fiduciary Funds
<i>Scope</i>	Entire District (except fiduciary funds)	Activities of the District that are not proprietary or fiduciary	Activities of the District that charge fee for services and or goods	Activities for which the District is the trustee/agent for other parties
<i>Required financial statements</i>	<ul style="list-style-type: none"> • Statement of Net Assets • Statement of Activities 	<ul style="list-style-type: none"> • Balance Sheet • Statement of Revenues, Expenditures & Changes in Fund Balances 	<ul style="list-style-type: none"> • Statement of Net Assets • Statement of Revenues, Expenses & Changes in Fund Net Assets • Statement of Cash Flows 	<ul style="list-style-type: none"> • Statement of Fiduciary Net Assets
<i>Accounting basis and measurement focus</i>	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus
<i>Type of asset/liability information</i>	All assets and liabilities, both financial and capital, short-term and long-term	Only assets expected to be used up and liabilities to be paid during the year or soon thereafter; no capital assets or long-term debt	All assets and liabilities, both financial and capital, short-term and long-term	Only assets expected to be used up and liabilities to be paid during the year or soon thereafter; no capital assets or long-term debt
<i>Type of inflow/outflow information</i>	All revenues and expenses during the year, regardless of when cash is received or paid	Revenues for which cash is received during the year or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during the year, regardless of when cash is received or paid	Agency funds do not report revenues and expenditures

Notes to the Financial Statements

The notes to the basic financial statements provide additional information that is essential to a complete understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 49-68 of this report.

Other information

In addition to the basic financial statements and accompanying notes, this report also includes certain *Required Supplementary Information* that further explains and supports the financial statements. Required supplementary information can be found on pages 71-72 of this report.

The combining statements for the district's various non-major funds are presented immediately following the required supplementary information beginning on page 74.

The Texas Education Agency (TEA) requires that certain information be included in this report and those schedules can be found on pages 94-98 and 131.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net Assets. The District's net assets were \$52.5 million at June 30, 2010 (see Table II). The largest portion of the District's net assets (\$31.8 million or 60.6%) is the District's investment in capital assets less related outstanding debt to purchase those assets. The District's investment in capital assets includes land, buildings and furniture and equipment. Due to the nature of these assets, they are not available for future spending. Although the district's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the assets themselves cannot be used to liquidate these liabilities. Approximately \$7.6 million (14.4%) of the District's net assets are restricted for use in food service and debt service. The remaining net assets in the amount of \$13.1 million (25.0%) are unrestricted and may be used to meet the District's ongoing obligations.

Table II			
Net Assets			
	Governmental Activities		
	2010	2009	% Change
ASSETS			
Current and other assets	\$ 107,541,993	\$ 135,548,210	-20.7%
Capital assets	<u>274,631,311</u>	<u>267,830,217</u>	2.5%
Total Assets	<u>382,173,304</u>	<u>403,378,427</u>	-5.3%
LIABILITIES			
Other liabilities	26,979,708	35,895,482	-24.8%
Long-term liabilities outstanding	<u>302,688,750</u>	<u>315,113,992</u>	-3.9%
Total Liabilities	<u>329,668,458</u>	<u>351,009,474</u>	-6.1%
NET ASSETS			
Investment in capital assets, net of related debt	31,814,453	25,027,184	27.1%
Restricted	7,570,572	8,314,886	-9.0%
Unrestricted	<u>13,119,821</u>	<u>19,026,883</u>	-31.0%
Total Net Assets	<u>\$ 52,504,846</u>	<u>\$ 52,368,953</u>	0.3%

Changes in Net Assets. Total net assets of the District increased \$135,893 during the year ended June 30, 2010 from the prior year as a result of revenues approximating expenses (see Table III).

Table III			
Changes in Net Assets			
	Governmental Activities		
	2010	2009	% Change
Revenues:			
Program Revenues:			
Charges for services	\$ 7,041,896	\$ 7,481,409	-5.9%
Operating grants and contributions	44,297,566	30,948,020	43.1%
General Revenues:			
Property taxes	102,027,623	103,872,730	-1.8%
State aid and unrestricted grants	61,972,808	61,830,146	0.2%
Investment earnings	549,263	3,882,320	-85.9%
Miscellaneous	616,721	224,168	175.1%
Total Revenues	<u>216,505,877</u>	<u>208,238,793</u>	4.0%
Expenses:			
Instruction, curriculum and media services	129,356,018	121,375,059	6.6%
Instructional and school leadership	14,118,091	13,570,122	4.0%
Student support services	11,613,383	11,406,273	1.8%
Food services	10,471,936	10,062,610	4.1%
Cocurricular/extracurricular activities	6,762,131	7,590,352	-10.9%
General administration	4,542,043	4,501,660	0.9%
Plant maintenance, security and data processing	20,359,316	19,458,441	4.6%
Community services	402,934	300,840	33.9%
Debt service	15,629,743	14,368,330	8.8%
Facilities acquisition and construction	1,608,338	1,692,310	-5.0%
Intergovernmental charges	1,506,051	796,553	89.1%
Total Expenses	<u>216,369,984</u>	<u>205,122,550</u>	5.5%
Increase in net assets	135,893	3,116,243	-95.6%
Beginning net assets	<u>52,368,953</u>	<u>49,252,710</u>	6.3%
Ending net assets	<u>\$ 52,504,846</u>	<u>\$ 52,368,953</u>	0.26%

Overall revenues of the District were \$216.5 million, an \$8.2 million or 4.0% increase from the prior year. Property tax revenues decreased \$1.8 million, investment earnings decreased \$3.3 million and operating grants and contributions increased \$13.3 million. The changes in property tax revenues resulted from a one-half cent decrease in the I&S tax rate for the 2010 fiscal year. Investment earnings decreased during the current year due to declining market conditions. In addition, the completion of the 2006 bond construction projects in August 2010 reduced the amount of cash available to invest. Operating grants and contributions increased primarily due to new grants under the American Recovery and Reinvestment Act of 2009 ("ARRA").

Figures 1 and 2 depict the District's revenue sources for fiscal year 2010 and 2009. The graphs show that property taxes are the primary source of revenue for the District followed by state aid and operating grants. Operating grants as a percentage of total revenues increased and property tax as a percentage of total revenues decreased due to the large increase in ARRA grant funds as discussed above.

Figure 1

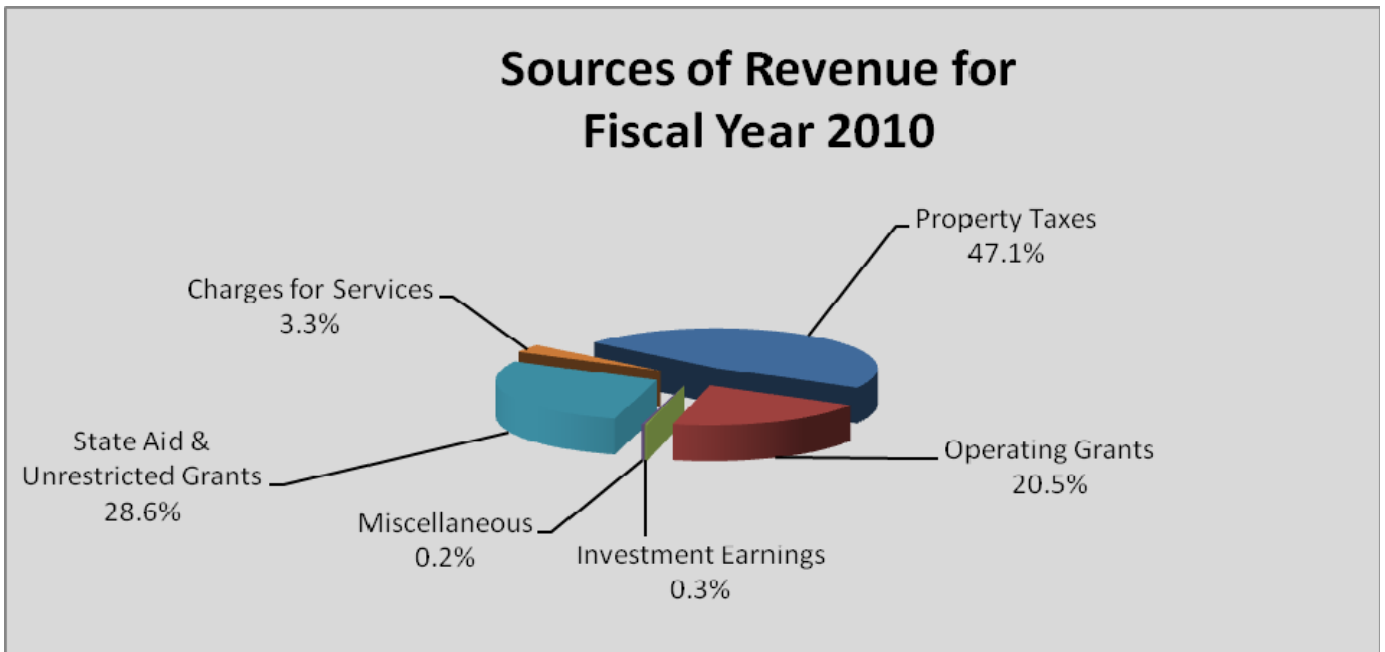
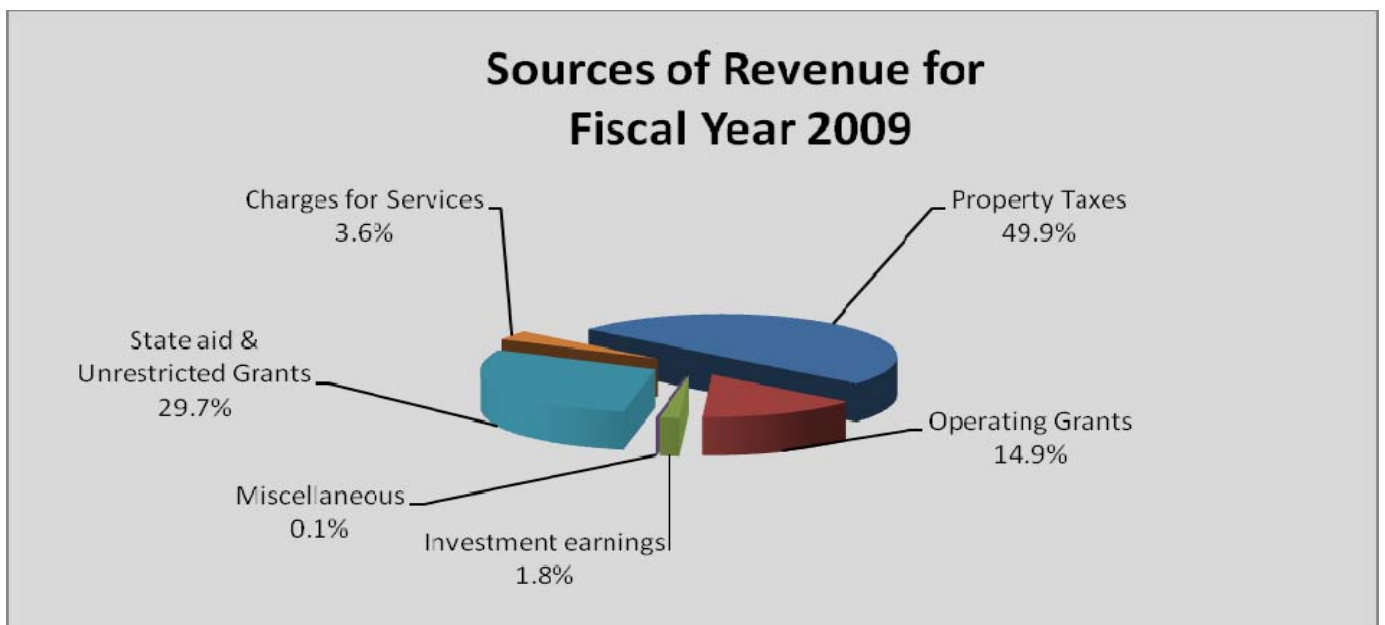


Figure 2



Expenses are shown in Table III by functional categories that reflect the purpose of the transaction. Various operating expenses are reflected in each functional category. Total expenses in the current fiscal year were \$216.4 million, an \$11.2 million or 5.5% increase from the prior year. Costs increased in all areas due to the new ARRA grant funds. The largest increases were payroll costs of \$5.8 million and depreciation expense of \$1.4 million. New grant positions and District approved salary increases of 2% generated the increase in payroll. Depreciation expense increased due to the completion of several large construction projects early in fiscal year 2010.

Figure 3

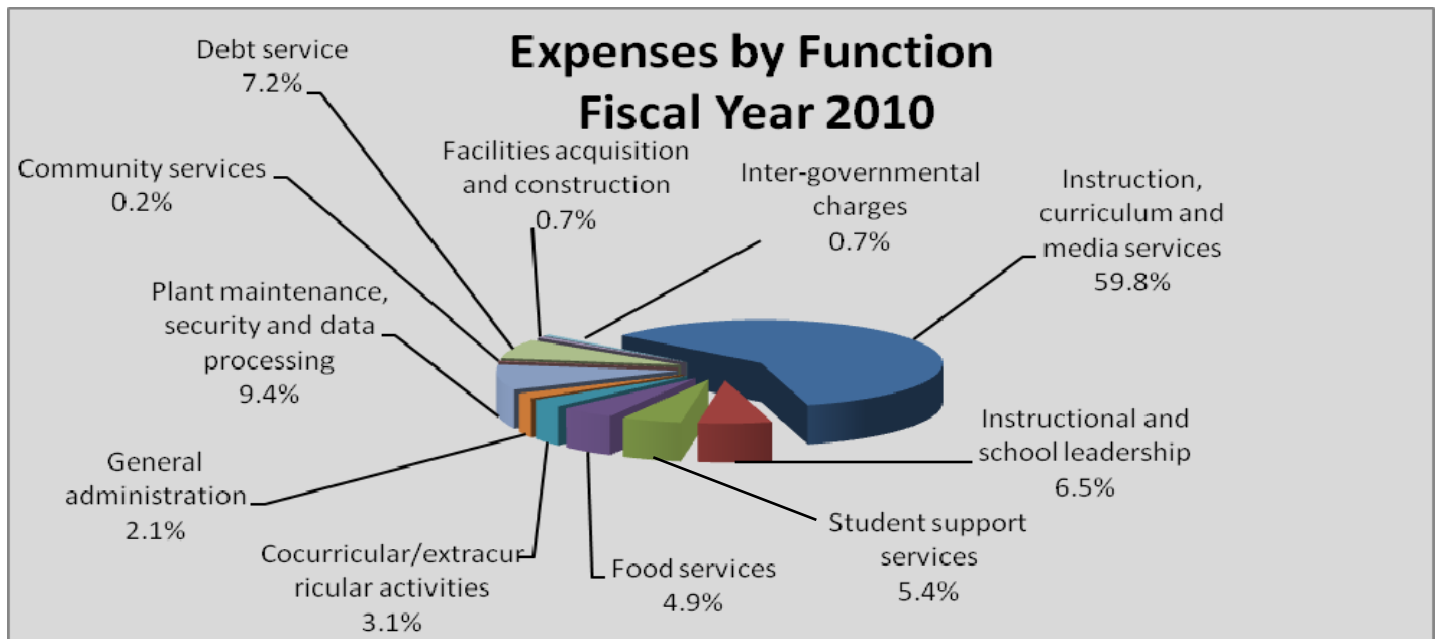


Figure 3 graphically depicts the total expenses of the District by function while Table IV presents the cost of the District's largest programs and each program's net cost (total cost less fees generated by the activities and operating grants). The net cost reflects the financial burden that was placed on the District's taxpayers by each of these programs.

	Total Cost of Services			Net Cost of Services		
	2010	2009	% Change	2010	2009	% Change
Instruction, curriculum and media services	\$ 129,356,018	\$ 121,375,059	6.6%	\$ 101,829,719	\$ 101,483,396	0.3%
Plant maintenance, security and data processing	20,359,316	19,458,441	4.6%	19,448,750	18,625,503	4.4%
Debt Service	15,629,743	14,368,330	8.8%	15,097,619	13,031,164	15.9%

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements, bond covenants, and segregation for particular purposes.

Governmental funds

The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unreserved, undesignated fund balance may serve as a useful measure of the District's net resources available for spending at the end of a fiscal year.

As of the end of the current fiscal year, the District's governmental funds reported combined fund balances of \$77,663,442 (as presented in the Balance Sheet on pages 36-37), a decrease of \$18.3 million from the prior year. Forty-seven percent or \$36.1 million of the total ending fund balance constitutes unreserved, undesignated fund balance which is available for spending at the District's discretion. The remainder of fund balance is reserved to indicate that it is not available for new spending due to the following commitments:

The general fund is the primary operating fund of the District. At the end of the current fiscal year, unreserved, undesignated fund balance of the general fund was \$35,197,858, which is 72.1% of the total general fund balance of \$48,817,297. As a measure of the general fund's liquidity, it may be useful to compare both unreserved, undesignated fund balance and total fund balance to the total fund expenditures. Unreserved, undesignated fund balance represents 23.6% of the current year general fund expenditures while the total general fund balance represents 32.8% of current year general fund expenditures.

The fund balance of the District's general fund increased \$1.6 million during the current fiscal year. Over \$650,000 of this increase is due to the transfer-in of the High School Allotment fund balance previously reported as a special revenue fund. The increase also resulted from unspent budgets by campuses and various departments due to continued efforts by administration to emphasize prudent spending and limited resources. Lastly, certain building projects, originally budgeted in the general fund, were funded through the capital projects fund.

The debt service fund balance of \$6,725,038 is reserved for the payment of debt service. The fund balance decreased \$158,594 from the prior year. Property tax and state revenues are slightly less than the costs to service the outstanding debt.

At year end, the capital projects funds had a combined fund balance of \$6,297,371 which is a decrease of \$18.1 million from the prior year. The fund balance is reserved for outstanding construction encumbrances and completion of various construction projects. The declining balance resulted from the completion of significant construction projects and on-going district facility improvements approved through the 2006 voter approved bonds.

The District's various special revenue funds ended the year with a combined fund balance of \$15,823,736. This represents a decrease of \$1.7 million from the prior year. Revenues typically approximate expenditures in the special revenue funds as grant monies are generally earned when expended. The decrease in the special revenue funds during the current year is attributable to a couple of factors 1) approximately \$667,000 transfer-out of the High School Allotment's beginning fund balance to the general fund, and 2) on-going construction expenditures to renovate the Coliseum (mineral lease proceeds were specially designated by the Board for this purpose).

Proprietary Funds

The District's only proprietary fund is an internal service fund for a self-funded worker's compensation program. The purpose of the fund is to allocate costs of the insurance to the various units and departments of the District. At year end, the proprietary fund had \$961,293 in net assets which was an increase from the prior year of \$920,805. This increase is primarily due to decreases in the actuarially determined estimate of incurred but not reported claims liability at year-end.

General Fund Budgetary Highlights

Over the course of the year, the District revised its budget several times. In accordance with Board Policy CE (Local), the district submits amendments during the course of the budget year to the Board of Trustees for approval. Significant general fund amendments presented to the Board of Trustees for approval during the year included the following:

- Reduction of general fund payroll expenditures and state revenue by \$9.3 million for the ARRA SFSF Federal funds designated by the Texas legislature to supplant a portion of the foundation school fund and the available school fund state revenue. The ARRA SFSF funds are required to be reported as a special revenue fund. This information was not available at the time the 2010 budget was adopted.
- Increase in revenues and expenditures of \$2.1 million for the High School Allotment. Beginning with the 2010 fiscal year, High School Allotment is required to be reported in the general fund instead of a special revenue fund as required in prior years. This information was not available at the time the 2010 budget was adopted.
- Increase in general fund tax revenue of approximately \$900,000 to reflect the property value increases identified in the supplemental tax rolls received in September 2009.

At the end of every fiscal year, school districts across the state adjust their year-end amended budgets to ensure all functional categories will have favorable balances. If unfavorable functional balances are reported in the audit at the close of the fiscal year, a letter issued by the Texas Education Agency stipulating the legal requirements for budgeting. For 2010, the district was in compliance in every functional category.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

As of June 30, 2010, the District had invested approximately \$274.6 million in a broad range of capital assets, including land, equipment, and buildings, less depreciation (see Table V). Net capital assets increased \$6.8 million from the prior year. The increase was primarily the completion of buildings and improvements in progress at June 30, 2009: a new facility at Richland High School, major renovations at Haltom High School, and a new career center. At June 30, 2010, major construction in progress included renovation of the Coliseum.

Table V Capital Assets (Net of Depreciation)			
Governmental Activities			
	2010	2009	% Change
Land	\$ 17,450,534	\$ 17,450,534	0.0%
Construction in progress	1,915,301	81,868,807	-97.7%
Buildings and improvements	250,531,577	163,465,606	53.3%
Furniture and equipment	4,733,899	5,045,270	-6.2%
Totals	\$ 274,631,311	\$ 267,830,217	2.5%

Long-Term Debt

The District had \$302.7 million in long-term debt at year end, a decrease of \$12.4 million from the prior year. The District made principal payments of \$17.6 million on the bonds during the fiscal year. The principal payments were offset by approximately \$596,000 in new capital leases and net \$5.8 million increase in accreted interest on capital appreciation bonds.

Table VI Long-Term Debt			
Governmental Activities			
	2010	2009	% Change
Bonds payable	\$ 237,995,201	\$ 255,639,100	-6.9%
Accreted interest	50,894,677	45,110,120	12.8%
Bond premiums	12,370,232	13,425,197	-7.9%
Deferred loss on bond refunding	(2,411,006)	(2,844,437)	-15.2%
Capital Leases	1,159,802	989,847	17.2%
Compensated Absences	2,679,844	2,794,165	-4.1%
Totals	\$ 302,688,750	\$ 315,113,992	-3.9%

More detailed information about the District's debt is presented in the Notes to Basic Financial Statements.

Bond Ratings

The bonds have a municipal bond rating of “Aaa” by Moody’s Investors Service, Inc. (“Moody’s”), “AAA” by Standard & Poor’s Ratings Services (“S&P”) and “AAA” by Fitch Ratings (Fitch) based upon the Permanent School Fund Guarantee of the State of Texas (“PSF Guarantee”). The underlying or secondary credit ratings for the District are “Aa3” by Moody’s, “AA” by S&P and “AA” by Fitch.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The 81st Texas Legislative Session in the spring of 2009 provided approximately \$120 in additional revenue per student for Texas school districts through Federal Stimulus Funds. The majority of these funds were used to provide raises to the 2,900 District staff members for fiscal year 2010. Fiscal year 2011 is wrought with new challenges. No new revenue was provided during the 81st Texas Legislative Session to assist districts with raises or rising operating costs. A Texas Attorney General opinion issued in the summer of 2010 required all districts to provide an additional step salary increase to all teachers, nurses, librarians and counselors based on salaries estimated in the 2008-2009 salary schedule.

An additional challenge for the 2011 fiscal year stems from property tax values. The District’s values dropped around seven percent over the 2010 values. Although districts are held harmless from a loss of property tax revenue in the general fund, the debt service fund tax rate is directly affected by a drop in tax revenue. The District was forced to increase the debt service tax rate for 2011 by two cents due to the drop in values.

For 2011, the Districts M&O tax rate remains at \$1.04 per \$100 of assessed property valuation representing the maximum tax rate allowed without a tax rate election. The Debt Service tax rate was increased to \$.385 per \$100 of assessed property value. The total tax rate adopted by the Board of Trustee in September 2010 was \$1.425

Student enrollment, estimated at 21,617, reached 22,700 by October 2010. This increase represents not only an increase in the open enrollment students but also an increase of around 300 in-district students.

The District’s target revenue remains well below the state average. These revenue limits continue to create challenges for the District’s ability to balance its general fund budget. For the 2011 fiscal year, the District passed a deficit budget of almost \$760,000. After the attorney general’s opinion referred to above, the Board approved one percent raises for all staff. This additional expense increased the approved deficit to almost \$3 million.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the District’s finances and to demonstrate the District’s accountability for the money it receives. If you have questions about this report or need additional financial information, contact the District’s Finance Department.



Birdville Independent School District

All students succeed in a future they create.

Basic Financial Statements

*All students succeed
in a future they create.*



BIRDVILLE INDEPENDENT SCHOOL DISTRICT



Birdville Independent School District

All students succeed in a future they create.

BIRDVILLE INDEPENDENT SCHOOL DISTRICT
STATEMENT OF NET ASSETS
JUNE 30, 2010

Data Control Codes	Primary Government
	Governmental Activities
ASSETS	
1110 Cash and Cash Equivalents	\$ 64,352,079
1120 Current Investments	558,476
1220 Property Taxes Receivable (Delinquent)	6,649,358
1230 Allowance for Uncollectible Taxes	(1,663,580)
1240 Due from Other Governments	22,230,739
1250 Accrued Interest Receivable	52,539
1290 Other Receivables, net	284,558
1300 Inventories	881,833
1410 Deferred Expenses	345,100
1420 Capitalized Bond Issuance Costs	1,588,761
Capital Assets:	
1510 Land	17,450,534
1520 Buildings, Net	250,531,577
1530 Furniture and Equipment, Net	4,733,899
1580 Construction in Progress	1,915,301
1910 Long Term Investments	12,262,130
1000 Total Assets	382,173,304
LIABILITIES	
2110 Accounts Payable	2,809,063
2140 Accrued Interest Payable	2,875,420
2150 Payroll Deductions & Withholdings	2,099,692
2160 Accrued Wages Payable	17,491,501
2177 Due to Fiduciary Funds	598,237
2200 Accrued Expenses	1,013,787
2300 Unearned Revenue	92,008
Noncurrent Liabilities	
2501 Due Within One Year	18,475,088
2502 Due in More Than One Year	284,213,662
2000 Total Liabilities	329,668,458
NET ASSETS	
3200 Invested in Capital Assets, Net of Related Debt	31,814,453
3820 Restricted for Food Service	3,244,755
3850 Restricted for Debt Service	4,325,817
3900 Unrestricted Net Assets	13,119,821
3000 Total Net Assets	\$ 52,504,846

The notes to the financial statements are an integral part of this statement.



Birdville Independent School District

All students succeed in a future they create.

BIRDVILLE INDEPENDENT SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2010

EXHIBIT B-1

Net (Expense)
Revenue and
Changes in Net
Assets

Data Control Codes	1	Program Revenues		6
	Expenses	3	4	Primary Gov. Governmental Activities
		Charges for Services	Operating Grants and Contributions	
Primary Government:				
GOVERNMENTAL ACTIVITIES:				
11 Instruction	\$ 123,678,615	\$ 834,976	\$ 24,540,388	\$ (98,303,251)
12 Instructional Resources and Media Services	2,921,302	-	127,360	(2,793,942)
13 Curriculum and Staff Development	2,756,101	-	2,023,575	(732,526)
21 Instructional Leadership	3,367,861	-	1,721,957	(1,645,904)
23 School Leadership	10,750,230	-	631,737	(10,118,493)
31 Guidance, Counseling and Evaluation Services	5,643,635	-	4,331,021	(1,312,614)
32 Social Work Services	207,845	-	70,576	(137,269)
33 Health Services	2,298,119	-	170,195	(2,127,924)
34 Student (Pupil) Transportation	3,463,784	-	1,138,793	(2,324,991)
35 Food Services	10,471,936	3,699,251	6,622,886	(149,799)
36 Extracurricular Activities	6,762,131	2,373,246	10,347	(4,378,538)
41 General Administration	4,542,043	-	581,244	(3,960,799)
51 Plant Maintenance and Operations	17,190,213	134,423	681,157	(16,374,633)
52 Security and Monitoring Services	646,192	-	7,217	(638,975)
53 Data Processing Services	2,522,911	-	87,769	(2,435,142)
61 Community Services	402,934	-	98,097	(304,837)
72 Debt Service - Interest on Long Term Debt	15,474,756	-	532,124	(14,942,632)
73 Debt Service - Bond Issuance Cost and Fees	154,987	-	-	(154,987)
81 Capital Outlay	1,608,338	-	246,193	(1,362,145)
93 Payments related to Shared Services Arrangements	674,930	-	674,930	-
95 Payments to Juvenile Justice Alternative Ed. Prg.	107,375	-	-	(107,375)
97 Payments to Tax Increment Fund	120,834	-	-	(120,834)
99 Other Intergovernmental Charges	602,912	-	-	(602,912)
[TP] TOTAL PRIMARY GOVERNMENT:	\$ 216,369,984	\$ 7,041,896	\$ 44,297,566	(165,030,522)

Data Control Codes	General Revenues: Taxes:	
MT	Property Taxes, Levied for General Purposes	75,510,985
DT	Property Taxes, Levied for Debt Service	26,516,638
SF	State Aid - Formula Grants	61,879,515
GC	Grants and Contributions not Restricted	93,293
IE	Investment Earnings	549,263
MI	Miscellaneous Local and Intermediate Revenue	616,721
TR	Total General Revenues	165,166,415
CN	Change in Net Assets	135,893
NB	Net Assets--Beginning	52,368,953
NE	Net Assets--Ending	\$ 52,504,846

The notes to the financial statements are an integral part of this statement.

BIRDVILLE INDEPENDENT SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2010

Data Control Codes	10 General Fund	50 Debt Service Fund	60 Capital Projects
ASSETS			
1110 Cash and Cash Equivalents	\$ 37,723,848	\$ 6,366,266	\$ 6,529,715
1120 Investments - Current	558,476	-	-
1220 Property Taxes - Delinquent	5,413,449	1,235,909	-
1230 Allowance for Uncollectible Taxes (Credit)	(1,354,372)	(309,208)	-
1240 Receivables from Other Governments	14,769,245	-	-
1250 Accrued Interest	16,222	-	-
1260 Due from Other Funds	4,923,248	-	-
1290 Other Receivables	258,908	-	-
1300 Inventories	774,339	-	-
1410 Deferred Expenditures	345,100	-	-
1910 Long-term Investments	6,458,669	-	-
1000 Total Assets	<u>\$ 69,887,132</u>	<u>\$ 7,292,967</u>	<u>\$ 6,529,715</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
2110 Accounts Payable	\$ 1,482,802	\$ -	\$ 227,829
2150 Payroll Deductions and Withholdings Payable	2,099,692	-	-
2160 Accrued Wages Payable	14,350,549	-	-
2170 Due to Other Funds	388,782	-	4,515
2300 Deferred Revenues	2,748,010	567,929	-
2000 Total Liabilities	<u>21,069,835</u>	<u>567,929</u>	<u>232,344</u>
Fund Balances:			
Reserved For:			
3410 Investments in Inventory	774,339	-	-
3420 Retirement of Long Term Debt	-	6,725,038	-
3430 Prepaid Items	345,100	-	-
3440 Outstanding Encumbrances	-	-	-
3450 Food Service	-	-	-
3470 Capital Acquisition	-	-	6,297,371
Unreserved Designated For:			
3590 Other Purposes	12,500,000	-	-
Unreserved and Undesignated:			
3600 Reported in the General Fund	35,197,858	-	-
3610 Reported in Special Revenue Funds	-	-	-
3000 Total Fund Balances	<u>48,817,297</u>	<u>6,725,038</u>	<u>6,297,371</u>
4000 Total Liabilities and Fund Balances	<u>\$ 69,887,132</u>	<u>\$ 7,292,967</u>	<u>\$ 6,529,715</u>

The notes to the financial statements are an integral part of this statement.

Other Funds	Total Governmental Funds
\$ 11,609,459	\$ 62,229,288
-	558,476
-	6,649,358
-	(1,663,580)
7,461,494	22,230,739
36,317	52,539
388,782	5,312,030
25,650	284,558
107,494	881,833
-	345,100
5,803,461	12,262,130
<u>\$ 25,432,657</u>	<u>\$ 109,142,471</u>
\$ 1,095,497	\$ 2,806,128
-	2,099,692
3,140,952	17,491,501
5,372,194	5,765,491
278	3,316,217
<u>9,608,921</u>	<u>31,479,029</u>
107,494	881,833
-	6,725,038
-	345,100
3,223,285	3,223,285
3,137,261	3,137,261
-	6,297,371
8,439,914	20,939,914
-	35,197,858
915,782	915,782
<u>15,823,736</u>	<u>77,663,442</u>
<u>\$ 25,432,657</u>	<u>\$ 109,142,471</u>



Birdville Independent School District

All students succeed in a future they create.

BIRDVILLE INDEPENDENT SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE
STATEMENT OF NET ASSETS
JUNE 30, 2010

Total Fund Balances - Governmental Funds	\$	77,663,442
1 The District uses an internal service fund to charge the costs of certain activities, such as self-insurance, to appropriate functions in other funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net assets. The net effect of this consolidation is to increase net assets.		961,293
2 Capital assets used in governmental activities are not financial resources, and therefore, are not reported in the fund financial statements.		448,662,039
3 Accumulated depreciation is not reported in the fund financial statements.		(174,030,728)
4 Bonds payable and capital leases payable are not reported in the fund financial statements.		(239,155,003)
5 Accreted interest payable on capital appreciation bonds is not reported in the fund financial statements.		(50,894,677)
6 Bond issuance costs are not capitalized in the fund financial statements.		1,588,761
7 Bond premiums on outstanding bonds payable are not recorded in the fund financial statements.		(12,370,232)
8 Revenue from property taxes reported as deferred revenue in the fund financial statements is recognized as revenue in the government-wide financial statements.		3,224,209
9 Accrued liabilities for compensated absences have not been recorded in the fund financial statements.		(2,679,844)
10 Interest is accrued on outstanding debt in the government-wide financial statements, whereas in the fund financial statements interest expenditures are recorded when due.		(2,875,420)
11 Deferred losses on bond refundings are not recorded in the fund financial statements.		2,411,006
19 Net Assets of Governmental Activities	\$	52,504,846

The notes to the financial statements are an integral part of this statement.

BIRDVILLE INDEPENDENT SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2010

Data Control Codes	10 General Fund	50 Debt Service Fund	60 Capital Projects
REVENUES:			
5700 Total Local and Intermediate Sources	\$ 78,020,333	\$ 26,739,788	\$ 39,290
5800 State Program Revenues	70,320,841	532,124	-
5900 Federal Program Revenues	919,218	-	-
5020 Total Revenues	<u>149,260,392</u>	<u>27,271,912</u>	<u>39,290</u>
EXPENDITURES:			
Current:			
0011 Instruction	95,577,789	-	-
0012 Instructional Resources and Media Services	2,537,141	-	-
0013 Curriculum and Instructional Staff Development	788,677	-	-
0021 Instructional Leadership	1,775,669	-	-
0023 School Leadership	10,182,964	-	-
0031 Guidance, Counseling and Evaluation Services	1,478,404	-	-
0032 Social Work Services	137,269	-	-
0033 Health Services	2,214,334	-	-
0034 Student (Pupil) Transportation	3,623,610	-	-
0035 Food Services	-	-	-
0036 Extracurricular Activities	4,213,131	-	-
0041 General Administration	4,282,505	-	-
0051 Facilities Maintenance and Operations	16,580,930	-	-
0052 Security and Monitoring Services	625,760	-	-
0053 Data Processing Services	2,255,268	-	-
0061 Community Services	250,260	-	-
Debt Service:			
0071 Debt Service - Principal on Long Term Debt	425,836	17,643,899	-
0072 Debt Service - Interest on Long Term Debt	41,493	9,774,357	-
0073 Debt Service - Bond Issuance Cost and Fees	-	12,250	-
Capital Outlay:			
0081 Facilities Acquisition and Construction	1,019,641	-	18,148,593
Intergovernmental:			
0093 Payments to Fiscal Agent/Member Districts of SSA	-	-	-
0095 Payments to Juvenile Justice Alternative Ed. Prg.	107,375	-	-
0097 Payments to Tax Increment Fund	120,834	-	-
0099 Other Intergovernmental Charges	602,912	-	-
6030 Total Expenditures	<u>148,841,802</u>	<u>27,430,506</u>	<u>18,148,593</u>
1100 Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>418,590</u>	<u>(158,594)</u>	<u>(18,109,303)</u>
OTHER FINANCING SOURCES (USES):			
7913 Capital Leases	595,791	-	-
7915 Transfers In	666,714	-	-
8911 Transfers Out (Use)	(60,181)	-	-
7080 Total Other Financing Sources (Uses)	<u>1,202,324</u>	<u>-</u>	<u>-</u>
1200 Net Change in Fund Balances	1,620,914	(158,594)	(18,109,303)
0100 Fund Balance - July 1 (Beginning)	<u>47,196,383</u>	<u>6,883,632</u>	<u>24,406,674</u>
3000 Fund Balance - June 30 (Ending)	<u>\$ 48,817,297</u>	<u>\$ 6,725,038</u>	<u>\$ 6,297,371</u>

The notes to the financial statements are an integral part of this statement.

Other Funds	Total Governmental Funds
\$ 6,958,303	\$ 111,757,714
5,248,497	76,101,462
<u>28,767,960</u>	<u>29,687,178</u>
40,974,760	217,546,354
19,142,757	114,720,546
12,139	2,549,280
1,967,424	2,756,101
1,565,565	3,341,234
33,725	10,216,689
4,052,212	5,530,616
70,576	207,845
33,386	2,247,720
240,939	3,864,549
10,209,779	10,209,779
1,973,764	6,186,895
41,569	4,324,074
34,597	16,615,527
-	625,760
-	2,255,268
86,793	337,053
-	18,069,735
-	9,815,850
-	12,250
1,913,240	21,081,474
674,930	674,930
-	107,375
-	120,834
-	<u>602,912</u>
<u>42,053,395</u>	<u>236,474,296</u>
<u>(1,078,635)</u>	<u>(18,927,942)</u>
-	595,791
7,566,195	8,232,909
<u>(8,172,728)</u>	<u>(8,232,909)</u>
<u>(606,533)</u>	<u>595,791</u>
<u>(1,685,168)</u>	<u>(18,332,151)</u>
<u>17,508,904</u>	<u>95,995,593</u>
<u>\$ 15,823,736</u>	<u>\$ 77,663,442</u>

BIRDVILLE INDEPENDENT SCHOOL DISTRICT
 RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED JUNE 30, 2010

Total Net Change in Fund Balances - Governmental Funds	\$ (18,332,151)
The District uses an internal service fund to charge the costs of certain activities, such as self-insurance, to appropriate functions in other funds. The net effect of this consolidation is to increase net assets.	920,805
Current year capital asset additions are expenditures in the fund financial statements, but they are shown as increases in capital assets in the government-wide financial statements. The effect of reclassifying the current year capital asset additions increases government-wide net assets.	21,467,761
Depreciation is not recognized as an expense in the governmental funds since it does not require the use of current financial resources. The net effect of the current year's depreciation is to decrease government-wide net assets.	(14,395,863)
Losses on capital asset disposals are not recognized in the fund financial statements. The net effect of the current year's loss on disposal of capital assets is to decrease government-wide net assets.	(270,804)
Current year long-term debt principal payments on capital leases and bonds payable are expenditures in the fund financial statements, but are shown as reductions in long-term debt in the government-wide financial statements.	18,069,735
The current year change in accreted interest on capital appreciation bonds is not recorded in the fund financial statements. The net effect of the current year's change in accreted interest on capital appreciation bonds is to decrease government-wide net assets.	(5,784,557)
Current year amounts financed through capital leases are other financing sources in the fund financial statements, but are shown as increases in long-term debt in the government-wide financial statements.	(595,791)
Current year amortization of bond issuance costs is not reflected in the fund financial statements, but is shown as a reduction in the bond issuance costs asset in the government-wide financial statements.	(142,737)
Current year amortization of the premium on bonds payable is not recorded in the fund financial statements, but is shown as a decrease in long-term debt in the government-wide financial statements.	1,054,965
Current year amortization of the deferred loss on bond refundings is not reflected in the	(433,431)

The notes to the financial statements are an integral part of this statement.

BIRDVILLE INDEPENDENT SCHOOL DISTRICT
 RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED JUNE 30, 2010

fund financial statements, but is shown as a reduction of the deferred loss in the government-wide financial statements.

The current year change in accrued liabilities for compensated absences has not been recorded in the fund financial statements, but is shown as a decrease in long-term debt in the government-wide financial statements.	114,321
---	---------

Interest is accrued on outstanding debt in the government-wide financial statements, but interest is expended as due in the fund financial statements.	(495,883)
--	-----------

Revenues from property taxes are deferred in the fund financial statements until they are considered available to finance current expenditures, but such revenues are recognized when assessed net of an allowance for uncollectible amounts in the government-wide financial statements.	(1,040,477)
---	-------------

Change in Net Assets of Governmental Activities	<hr style="border: 0.5px solid black;"/> \$ 135,893 <hr style="border: 0.5px solid black;"/>
--	--

The notes to the financial statements are an integral part of this statement.

BIRDVILLE INDEPENDENT SCHOOL DISTRICT
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
JUNE 30, 2010

	<u>Governmental Activities -</u>	<u>Internal Service Fund</u>
ASSETS		
Current Assets:		
Cash and Cash Equivalents	\$ 2,122,791	
Total Assets		<u>2,122,791</u>
LIABILITIES		
Current Liabilities:		
Accounts Payable		2,935
Due to Other Funds		144,776
Accrued Expenses		<u>1,013,787</u>
Total Liabilities		<u>1,161,498</u>
NET ASSETS		
Unrestricted Net Assets		<u>961,293</u>
Total Net Assets	\$	<u><u>961,293</u></u>

The notes to the financial statements are an integral part of this statement.

BIRDVILLE INDEPENDENT SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2010

	Governmental Activities -
	Internal Service Fund
OPERATING REVENUES:	
Local and Intermediate Sources	\$ 1,051,813
Total Operating Revenues	<u>1,051,813</u>
OPERATING EXPENSES:	
Other Operating Costs	<u>135,181</u>
Total Operating Expenses	<u>135,181</u>
Operating Income	<u>916,632</u>
NONOPERATING REVENUES (EXPENSES):	
Earnings from Temporary Deposits & Investments	<u>4,173</u>
Total Nonoperating Revenues (Expenses)	<u>4,173</u>
Change in Net Assets	920,805
Total Net Assets - July 1 (Beginning)	<u>40,488</u>
Total Net Assets - June 30 (Ending)	<u><u>\$ 961,293</u></u>

The notes to the financial statements are an integral part of this statement.

BIRDVILLE INDEPENDENT SCHOOL DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2010

	Governmental Activities -
	Internal Service Fund
<u>Cash Flows from Operating Activities:</u>	
Cash Received from quasi-external charges	\$ 1,051,813
Cash Payments for Insurance Claims	(621,869)
Net Cash Provided by Operating Activities	<u>429,944</u>
<u>Cash Flows from Non-Capital Financing Activities:</u>	
Repayment of interfund advances	(179,177)
<u>Cash Flows from Investing Activities:</u>	
Interest and Dividends on Investments	4,173
Net Increase in Cash and Cash Equivalents	254,940
Cash and Cash Equivalents at Beginning of the Year:	<u>1,867,851</u>
Cash and Cash Equivalents at the End of the Year:	<u>\$ 2,122,791</u>
<u>Reconciliation of Operating Income to Net Cash Provided by Operating Activities:</u>	
Operating Income:	\$ 916,632
Effect of Increases and Decreases in Current Assets and Liabilities:	
Increase (decrease) in Accounts Payable	(14,860)
Increase (decrease) in other accrued expenses	(471,828)
Net Cash Provided by Operating Activities	<u>\$ 429,944</u>

The notes to the financial statements are an integral part of this statement.

BIRDVILLE INDEPENDENT SCHOOL DISTRICT
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
FIDUCIARY FUNDS
JUNE 30, 2010

	Agency Fund
<hr/>	
ASSETS	
Cash and Cash Equivalents	\$ 25,829
Due from Other Funds	598,237
	<hr/>
Total Assets	\$ 624,066
	<hr/> <hr/>
LIABILITIES	
Due to Student Groups	\$ 624,066
	<hr/>
Total Liabilities	\$ 624,066
	<hr/> <hr/>

The notes to the financial statements are an integral part of this statement.



Birdville Independent School District

All students succeed in a future they create.

**BIRDVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2010**

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES

The Birdville Independent School District (District) is a public educational agency operating under the applicable laws and regulations of the State of Texas. It is governed by a seven member Board of Trustees that are elected by registered voters of the District. The District prepares its basic financial statements in conformity with U.S. Generally Accepted Accounting Principles (GAAP) promulgated by the Governmental Accounting Standards Board (GASB) and other authoritative sources identified in *Statement of Auditing Standards No. 69* of the American Institute of Certified Public Accountants. Additionally, the District complies with the requirements of the appropriate version of the Texas Education Agency (TEA) *Financial Accountability System Resource Guide (FASRG)* and the requirements of contracts and grants of agencies from which it receives funds. The following is a summary of the more significant accounting policies of the District:

A. Reporting Entity

For financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was considered by applying the criteria set forth in Governmental Accounting Standard Board (GASB) Statement No. 14, "The Financial Reporting Entity" as amended by GASB 39 "Determining Whether Certain Organizations are Component Units". Based on these standards, management has determined that the District has no component units.

B. Government-Wide and Fund Financial Statements

The Statement of Net Assets and the Statement of Activities are government-wide financial statements. They report information on all of the Birdville Independent School District non-fiduciary activities with most of the interfund activities removed. *Governmental activities* include programs supported primarily by taxes, state foundation funds, grants, and other intergovernmental revenues. *Business-type activities* include operations that rely to a significant extent on fees and charges for support. The District does not have any business-type activities.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function. *Program revenues* include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported as *general revenues*.

The fund financial statements provide reports on the financial condition and results of operations for three fund categories – governmental, proprietary, and fiduciary. Since the resources in the fiduciary funds cannot be used for District operations, they are not included in the government-wide statements. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as non-major funds.

**BIRDVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2010**

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

B. Government-Wide and Fund Financial Statements – Continued

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. All other revenues and expenses are non-operating.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements use the economic resources measurement focus and the accrual basis of accounting, as do the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Revenues from local sources consist primarily of property taxes. Property tax revenues and revenues received from the State are recognized under the susceptible-to-accrual concept. Miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned, since they are both measurable and available.

Grant funds are considered to be earned to the extent of expenditures made under the provisions of the grant. Accordingly, when such funds are received, they are recorded as deferred revenues until related and authorized expenditures have been made. If balances have not been expended by the end of the project period, grantors sometimes require the District to refund all or part of the unused amounts.

**BIRDVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2010**

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation – Continued

The Proprietary Fund Types and Fiduciary Funds are accounted for on a flow of economic resources measurement focus and utilize the accrual basis of accounting. This basis of accounting recognizes revenues in the accounting period in which they are earned and become measurable and expenses in the accounting period in which they are incurred and become measurable. The District applies all GASB pronouncements as well as the Financial Accounting Standards Board pronouncements issued on or before November 30, 1989, unless these pronouncements conflict or contradict GASB pronouncements. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the fund Statement of Net Assets. Net assets are segregated into invested in capital assets net of related debt, restricted net assets, and unrestricted net assets.

D. Fund Accounting

The District reports the following major governmental funds:

The General Fund – The general fund is the District's primary operating fund. It accounts for all financial resources except those required to be accounted for in another fund. Major program revenues include local property taxes, state funding under the Foundation School Program, and interest earnings. Expenditures include all costs associated with the daily operations of the District except for specific programs funded by the federal or state government, food service, debt service, and capital projects.

Debt Service Fund – The debt service fund is utilized to account for the accumulation of resources for, and the payment of general long-term debt principal, interest, and related costs arising from general obligation bonds.

Capital Projects Fund – The capital projects fund is utilized to account for financial resources to be used for the acquisition or construction of major capital facilities. Such resources are derived from proceeds of General Obligation Bonds and interest earned on such monies and local sources designated for such purposes.

Additionally, the District reports the following non major fund type(s):

Governmental Funds:

Special Revenue Funds – The District accounts for resources restricted to, or designated for, specific purposes by the District or a grantor in a special revenue fund. Most Federal and some State financial assistance is accounted for in a Special Revenue Fund and in certain cases unused balances must be returned to the grantor at the close of specified project periods.

**BIRDVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2010**

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

D. Fund Accounting – Continued

Proprietary Funds:

Internal Service Funds – Revenues and expenses related to services provided to organizations inside the District on a cost reimbursement basis are accounted for in an internal service fund. The District's Internal Service Fund is a Worker's Compensation self-insurance fund.

Fiduciary Funds:

Agency Funds -The District accounts for resources held for others in a custodial capacity in agency funds. The District's Agency Fund is the Student Activity Fund.

E. Cash and Cash Equivalents

The District's cash is comprised of demand accounts and imprest funds. All daily receipts are deposited to the demand accounts until the funds are invested under the terms of the District's depository contract. The District considers cash equivalents to be all highly liquid investments with initial maturities of ninety days or less from the date of purchase.

F. Temporary Investments

In accordance with GASB Statement No, 31, the District's general policy is to report money market investments and short-term participating interest-earning investment contracts at amortized cost and to report nonparticipating interest-earning investment contracts using a cost-based measure. However, if the fair value of an investment is significantly affected by the impairment of the credit standing of the issuer or by other factors, it is reported at fair value. All other investments are reported at fair value unless a legal contract exists which guarantees a higher value. The term "short-term" refers to investments which have a remaining term of one year or less at the time of purchase. The term "nonparticipating" means that the investment's value does not vary with market interest rate changes.

G. Inventory

Inventories on the balance sheet consist of material and supplies and are recorded at first-in, first-out (FIFO) cost. The District follows the consumption method of accounting whereby supplies and materials are recorded as expenditures when utilized.

H. Compensated Absences

Five vacation days may be carried over beginning June 1 and must be used by November 1 of the same year. The accrual is considered immaterial and has not been recorded.

**BIRDVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2010**

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

H. Compensated Absences – Continued

Leave days are earned at a rate of five State and five local sick days per year. The State days accrue with no limit and the local days may accrue to a maximum of 100 days. For those employees retiring after June 30, 2004, the date of May 31, 2003, was established as a cap for the compensation of unused paid leave at retirement or death. This capped amount is used to determine an employee's, or the beneficiary of a deceased employee's, maximum compensation for unused leave at the time of retirement or death. The employee shall have his or her capped amount of compensation reduced by 20 percent. If retirement does not occur prior to July 1, 2005, the employee shall have his or her capped amount of compensation reduced by an additional 20 percent for an approximate 40 percent reduction. If after the approximate 40 percent reduction an employee qualifies for an amount greater than \$10,000, that amount shall remain his or her capped amount until the time of retirement or death. This amount cannot be exceeded but shall be reduced if the number of unused state and local leave days accumulated in the District, multiplied by 50 percent of the employee's daily rate of pay, results in an amount less than the established capped amount at the time of retirement or death. If the 40 percent reduction reduces an employee's benefit below \$10,000, then the benefit amount may increase to a maximum of \$10,000 with the accumulation of additional local and state leave days. This benefit shall be determined by multiplying 50 percent of the employee's daily rate of pay by the number of unused accumulated state and local days up to a maximum of 100 days earned in the District at the time of retirement or death.

An employee who qualified for retirement benefits from the Teacher Retirement System of Texas and who was hired after May 31, 2003, or the beneficiary of a deceased employee who was hired after May 31, 2003, shall be eligible to receive a maximum \$10,000 compensation benefit at retirement. This benefit shall be determined by calculating 50 percent of the employee's daily rate of pay multiplied by the number of local leave days up to a maximum of 100 days earned in the District, to include days earned in the current school year, at the time of retirement or death.

The accrual for accumulated unpaid sick leave benefits has been recorded in the government-wide financial statements.

I. Account Code Reporting

In accordance with the Texas Education Code, the District has adopted and installed an accounting system, which meets at least the minimum requirements prescribed by the State Board of Education and approved by the State Auditor. Specifically, the District's accounting system uses codes and the code structure prescribed by TEA in the FASRG. The Data Control Codes refer to the account code structure prescribed by TEA in the FASRG. Texas Education Agency requires school districts to display these codes in the financial statements filed with the Agency in order to insure accuracy in building a statewide database for policy development and funding plans.

**BIRDVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2010**

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

J. Accounting Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

The amount of state foundation revenue a school district earns for a year can and does vary until the time when final values for each of the factors in the formula becomes available. Availability can be as late as midway into the next fiscal year. It is at least reasonably possible that the foundation revenue estimate as of June 30, 2010 will change.

K. Property Taxes

Property taxes are levied by October 1 on the assessed value listed as of January 1 for all real and business personal property located in the District in conformity with Subtitle E, Texas Property Tax Code. Taxes are due on receipt of the tax bill and are delinquent if not paid before February 1 of the year following the year in which imposed. On January 31 of each year, a tax lien attaches to property to secure the payment of all taxes, penalties, and interest ultimately imposed. Property tax revenues are considered available (1) when they become due or past due and receivable within the current period and (2) when they are expected to be collected during a 60-day period after the close of the school fiscal year.

Delinquent taxes are prorated between maintenance and debt service based on rates adopted for the year of the levy. Allowances for uncollectible taxes within the General and Debt Service Funds are based upon historical experience in collecting property taxes. The District is prohibited from writing off real property taxes without specific statutory authority from the Texas Legislature.

L. Capital Assets

Capital assets, which include land, buildings, furniture and equipment, are reported in the governmental column in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

**BIRDVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2010**

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

L. Capital Assets – Continued

Buildings, furniture, and equipment of the District are depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	15-45
Vehicles	5-10
Office Equipment	5-15
Computer Equipment	3-10

M. Long-Term Debt

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources, while discounts on debt issuances are reported as other financing uses.

**BIRDVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO BASIC FINANCIANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2010**

NOTE 2. BONDED DEBT PAYABLE

Bonded debt payable as of June 30, 2010 is as follows:

Description	Interest Rate Payable	Amount of Original Issue	Amount Outstanding 7/1/2009	Issued Current Year	Refunded Current Year	Retired Current Year	Amount Outstanding 6/30/2010
Unlimited Tax School Building and Refunding Bonds Series 1994	2.50-5.50	\$ 59,525,000	\$ 565,000	\$ -	\$ -	\$ -	\$ 565,000
Unlimited Tax School Building Bonds Series 1997	3.90-5.60	31,189,385	15,633,299	-	-	308,661	15,324,638
Unlimited Tax Building Bonds Series 1998	3.70-4.90	9,495,589	6,559,463	-	-	302,540	6,256,923
Unlimited Tax School Building and Refunding Bonds Series 1999	4.60-6.27	11,827,132	9,253,757	-	-	550,000	8,703,757
Unlimited Tax Building Bonds Series 2000	5.30-6.79	10,140,000	1,682,648	-	-	238,556	1,444,092
Unlimited Tax School Building and Refunding Bonds Series 2002	3.88-5.54	15,673,486	15,372,818	-	-	459,142	14,913,676
Unlimited Tax Refunding Bonds Series 2002A	3.88-5.54	22,725,000	3,155,000	-	-	3,155,000	-
Unlimited Tax Refunding Bonds Series 2003	5.00	19,925,000	8,050,000	-	-	8,050,000	-
Unlimited Tax Refunding Bonds Series 2004	3.00-5.00	25,701,186	24,695,000	-	-	870,000	23,825,000
Unlimited Tax School Building Bonds Series 2006	3.26-4.23	40,315,000	34,020,000	-	-	3,255,000	30,765,000
Unlimited Tax School Building and Refunding Bonds Series 2007	3.26-4.23	95,507,115	94,312,115	-	-	85,000	94,227,115
Unlimited Tax School Building Bonds Series 2008A	2.00-4.21	37,850,000	37,770,000	-	-	150,000	37,620,000
Unlimited Tax School Building Bonds Series 2008B	2.00-3.42	4,750,000	4,570,000	-	-	220,000	4,350,000
Total bonded debt payable			<u>\$ 255,639,100</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17,643,899</u>	<u>\$ 237,995,201</u>

**BIRDVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2010**

NOTE 2. BONDED DEBT PAYABLE – CONTINUED

The debt service requirements on the above bonds are as follows:

<u>Due to Fiscal Year</u> <u>Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2011	\$ 10,795,647	\$ 16,492,140	\$ 27,287,787
2012	11,631,400	15,937,562	27,568,962
2013	10,209,392	17,367,345	27,576,737
2014	9,825,163	17,758,244	27,583,407
2015	19,448,511	8,521,807	27,970,318
2016-2020	67,003,536	71,642,269	138,645,805
2021-2025	33,961,552	44,886,448	78,848,000
2026-2030	50,905,000	13,977,438	64,882,438
2031-2032	<u>24,215,000</u>	<u>1,831,250</u>	<u>26,046,250</u>
	<u>\$237,995,201</u>	<u>\$208,414,503</u>	<u>\$446,409,704</u>

Bonded debt payable is collateralized by revenue from the District's tax collections.

NOTE 3. DEFEASED DEBT

In prior years, the District has defeased certain bond series in advance refunding transactions. As of June 30, 2010, \$14,443,426 of defeased bonds remain outstanding.

NOTE 4. CAPITAL LEASES

The District has entered into financing agreements involving equipment and buses pursuant to Section 4 of Article 2358 A.2 of the Texas Education Code, which have been classified as capital leases and have interest rates between 2.92% and 4.20%. The current servicing of the capital leases is accounted for in the General Fund.

The following is a schedule by year of the future minimum lease payments under capital leases together with the present value of net minimum lease payments as of June 30, 2010:

<u>Year Ending</u> <u>June 30</u>	
2011	\$ 437,847
2012	350,338
2013	253,746
2014	131,029
2015	<u>65,515</u>
Minimum lease payments	1,238,475
Less amount representing interest	<u>78,673</u>
Present value of net minimum lease payments	<u>\$1,159,802</u>

**BIRDVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2010**

NOTE 4. CAPITAL LEASES – CONTINUED

Included in Capital Assets is \$7,567,833 for equipment and buses related to capital leases and \$4,728,816 in accumulated depreciation.

NOTE 5. ACCUMULATED UNPAID SICK LEAVE BENEFITS

On retirement or death of certain employees, the District pays eligible accrued sick leave in a lump sum payment to the employee or his/her estate. A summary of changes in the accumulated sick leave follows:

Balance, July 1, 2009	\$ 2,794,165
New entrants and sick leave accruals	105,808
Payments to participants	<u>(220,129)</u>
Balance, June 30, 2010	<u>\$ 2,679,844</u>

NOTE 6. CHANGES IN LONG-TERM LIABILITIES

Long-term activity for the year ended June 30, 2010 was as follows:

	Beginning <u>Balance</u>	<u>Additions</u>	<u>Reductions</u>	Ending <u>Balance</u>	Due Within <u>One Year</u>
Governmental Activities					
Bonds and Notes Payable					
General Obligation Bonds	\$255,639,100	\$ -	\$17,643,899	\$237,995,201	\$10,795,647
Accreted Interest	45,110,120	7,130,658	1,346,101	50,894,677	6,600,101
Capital Leases	989,847	595,791	425,836	1,159,802	401,352
Compensated Absences	2,794,165	105,808	220,129	2,679,844	246,900
Premium on Issuance	13,425,197	-	1,054,965	12,370,232	842,277
Deferred Gain (Loss) on Bond Refunding	<u>(2,844,437)</u>	<u>-</u>	<u>(433,431)</u>	<u>(2,411,006)</u>	<u>(411,189)</u>
	<u>\$315,113,992</u>	<u>\$ 7,832,257</u>	<u>\$20,257,499</u>	<u>\$302,688,750</u>	<u>\$18,475,088</u>

**BIRDVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2010**

NOTE 7. CAPITAL ASSET ACTIVITY

Capital asset activity for the district for the year ended June 30, 2010 was as follows:

Primary government:

	Balance <u>7/1/2009</u>	Additions (Transfers)	Deletions	Balance <u>6/30/2010</u>
Capital assets, not being depreciated				
Land	\$ 17,450,534	\$ -	\$ -	\$ 17,450,534
Construction in Progress	<u>81,868,807</u>	<u>1,915,301</u>	<u>81,868,807</u>	<u>1,915,301</u>
Total capital assets, not being depreciated	<u>99,319,341</u>	<u>1,915,301</u>	<u>81,868,807</u>	<u>19,365,835</u>
Capital assets, being depreciated				
Buildings and Improvements	310,026,090	100,314,587	11,500	410,329,177
Furniture and Equipment	<u>19,259,813</u>	<u>1,106,680</u>	<u>1,399,467</u>	<u>18,967,027</u>
Total capital assets, being depreciated	<u>329,285,903</u>	<u>101,421,267</u>	<u>1,410,967</u>	<u>429,296,204</u>
Less accumulated depreciation on				
Buildings and Improvements	146,560,484	13,248,616	11,500	159,797,600
Furniture and Equipment	<u>14,214,543</u>	<u>1,147,247</u>	<u>1,128,663</u>	<u>14,233,128</u>
Total capital assets, being depreciated, net	168,510,876	87,025,404	270,804	255,265,476
Governmental activities capital assets, net	<u>\$267,830,217</u>	<u>\$88,940,705</u>	<u>\$82,139,611</u>	<u>\$274,631,311</u>

Depreciation expense of the governmental activities was charged to functions/programs as follows:

Instruction	\$ 10,096,027
Instructional resources and media services	372,022
Instructional leadership	26,627
School leadership	533,541
Guidance, counseling, and evaluation services	113,019
Health services	50,399
Student (pupil) transportation	424,242
Food services	1,097,508
Co-curricular/extracurricular activities	575,236
General administration	217,969
Plant maintenance and operations	521,278
Security and monitoring services	20,432
Data processing services	281,682
Community services	<u>65,881</u>
Total depreciation expense	<u>\$ 14,395,863</u>

NOTE 8. DEPOSITS AND INVESTMENTS

The District's funds are required to be deposited and invested under the terms of a depository contract. The depository bank deposits for safekeeping and trust with its agent bank, approved pledged securities in an amount sufficient to protect District funds on a day-to-day basis during the period of the contract. The pledge of approved securities is waived only to the extent of the depository bank's dollar amount of Federal Deposit Insurance Corporation ("FDIC") insurance.

**BIRDVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2010**

NOTE 8. DEPOSITS AND INVESTMENTS - CONTINUED

The Public Funds Investment Act (Government Code Chapter 2256) contains specific provisions in the areas of investment practices, management reports, and establishment of appropriate policies. Among other things, it requires the District to adopt, implement, and publicize an investment policy. That policy must address the following areas: (1) safety of principal and liquidity, (2) portfolio diversification, (3) allowable investments, (4) acceptable risk levels, (5) expected rates of return, (6) maximum allowable stated maturity of portfolio investments, (7) maximum average dollar-weighted maturity, allowed based on the stated maturity date for the portfolio, (8) investment staff quality and capabilities, (9) and bid solicitation preferences for certificates of deposit. Statutes and the District's investment policy authorized the District to invest in the following investments as summarized in the following table:

<u>Authorized Investment Type</u>	<u>Maximum Maturity *</u>	<u>Maximum Percentage of Portfolio</u>	<u>Maximum Investment in One Issuer</u>
U.S. Treasury obligations	2 years	none	none
U.S. Agency obligations	2 years	none	none
State of Texas securities	2 years	none	none
Certificates of deposit	2 years	none	none
Repurchase agreements	2 years	none	none
Commercial paper	270 days	none	none
Public funds investment pools	N/A	none	none

* The District's investment policy allows for a maximum maturity of twenty years for investments made from the District's Scholarship Fund (a special revenue fund).

The Act also requires the District to have independent auditors perform test procedures related to investment practices as provided by the Act. The district is in substantial compliance with the requirements of the Act and with local policies.

Cash and cash equivalents as of June 30, 2010 are classified in the accompanying financial statements as follows:

Primary government	\$ 64,352,079
Fiduciary funds	<u>25,829</u>
	<u>\$ 64,377,908</u>

Cash and investments as of June 30, 2010 consist of the following:

Deposits with financial institutions	\$ 2,350,516
Other cash equivalents	62,027,392
Investments – Current	558,476
Investments – Long-term	<u>12,262,130</u>
	<u>\$ 77,198,514</u>

**BIRDVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2010**

NOTE 8. DEPOSITS AND INVESTMENTS – CONTINUED

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. The District manages its exposure to interest rate risk by investing in investment pools which purchase a combination of shorter term investments with an average maturity of less than 70 days and by holding longer-term investments until maturity, thus reducing the interest rate risk. The District monitors the interest rate risk inherent in its portfolio by measuring the weighted average maturity of its portfolio. The District's investment policy has no specific limitations with respect to this metric.

As of June 30, 2010, the District had the following cash equivalents and investments:

<u>Account/Investment Type</u>	<u>Amount</u>	<u>Weighted Average Maturity</u>
Bank Money-Market Account	\$30,107,887	N/A
TexPool	28,640,998	63 days
Lone Star	1,053,596	67 days
MBIA Texas CLASS	2,209,405	51 days
Certificates of deposit	71,493	25 days
U.S. Agency securities	<u>12,764,619</u>	(1)
	<u>\$74,847,998</u>	

(1) These securities have various maturity dates ranging from September 2010 through June 2020.

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by (where applicable) the Public Funds Investment Act, the District's investment policy, or debt agreements, and the actual rating as of year end for each investment type. The amounts held in bank money-market accounts and certificates of deposit are covered by FDIC insurance or pledged securities.

**BIRDVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2010**

NOTE 8. DEPOSITS AND INVESTMENTS - CONTINUED

<u>Account/Investment Type</u>	<u>Amount</u>	<u>Minimum Legal Rating</u>	<u>Rating as of June 30, 2010</u>
Bank Money-Market Account	\$30,107,887	N/A	N/A
TexPool	28,640,998	AAA	AAAm
Lone Star	1,053,596	AAA	AAAm
MBIA Texas CLASS	2,209,405	AAA	AAAm
Certificates of deposit	71,493	N/A	N/A
U.S. Agency securities	12,764,619	N/A	N/A

Concentration of Credit Risk

The investment policy of the District contains no limitations on the amount that can be invested in any one issuer. As of June 30, 2010, other than bank deposits, external investment pools, and securities guaranteed by the U.S. Government, the District did not have 5% or more of its investment with one issuer.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The Public Funds Investment Act and the District's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The Public Funds Investment Act requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least the bank balance less the FDIC insurance at all times.

As of June 30, 2010 the District's deposits with financial institutions were 100% covered by federal depository insurance or by pledged securities.

In addition, the following is disclosed regarding coverage of combined balances on the date of the highest deposit:

- A. Depository: Bank of America
- B. Security pledged as of the date of the highest combined balance on deposit was \$72,581,451.
- C. Largest cash, savings and time deposit combined account balance amounted to \$72,346,422 and occurred during the month of February 2010.

**BIRDVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2010**

NOTE 8. DEPOSITS AND INVESTMENTS – CONTINUED

D. Total amount of FDIC coverage at the time of largest combined balance was \$500,000.

Investment in State Investment Pools

The District is a voluntary participant in various investment pools. These pools included the following: TexPool, Lone Star, and MBIA.

The State Comptroller of Public Accounts exercises responsibility over TexPool. Oversight includes the ability to significantly influence operations, designation of management, and accountability for fiscal matters. Additionally, the State Comptroller has established an advisory board composed of both Participants in TexPool and other persons who do not have a business relationship with TexPool. TexPool operates in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. TexPool uses amortized cost rather than market value to report net assets to compute share prices. Accordingly, the fair value of the position in TexPool is the same as the value of TexPool Shares.

The Lone Star Investment Pool is governed by an 11-member board, all of whom are participants in the Pool. This ensures that the policies they set affect not only other entities' assets, but their own as well. The Board meets quarterly to review Pool operations, adopt or make changes to the investment policy, review the Pool's financials and audited financial statements, and approve Pool contractor agreements. The pool is tailored to comply with the Public Funds Investment Act.

The MBIA Investment Pool is governed by a Board of Trustees, the number of trustees is determined and elected by the Participants in the pool annually but it must be an odd number and a minimum of 3 trustees. The Board meets upon the request of at least two trustees, but not less than once annually. The pool is tailored to comply with the Public Funds Investment Act.

NOTE 9. RETIREMENT PLAN

Plan Description. The District contributes to the Teacher Retirement System of Texas (TRS), a cost-sharing multiple employer defined benefit pension plan. TRS administers retirement and disability annuities, and death and survivor benefits to employees and beneficiaries of employees of the public school systems of Texas. It operates primarily under the provisions of the Texas Constitution, Article XVI, Sec. 67 and Texas Government Code, Title 8, Subtitle C. TRS also administers proportional retirement benefits and service credit transfer under Texas Government Code, Title 8, Chapters 803 and 805, respectively. TRS issues a publicly available financial report that includes financial statements and required supplementary information for the defined benefit pension plan. That report may be obtained by writing to the TRS Communications Department, 1000 Red River Street, Austin, Texas 78701-2698, by calling the TRS Communications Department at 1-800-223-8778, or by downloading the report from the TRS Internet website, www.trs.state.tx.us, under the TRS Publications heading.

**BIRDVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2010**

NOTE 9. RETIREMENT PLAN – CONTINUED

Funding Policy. State law provides for a state contribution rate of 6.58% and a member contribution rate of 6.4% for fiscal years 2008, 2009 and a portion of fiscal year 2010. Effective January 1, 2010 the state contribution rate increased to 6.644%. The member contribution rate remained 6.4%. In certain instances, the reporting district is required to make all or a portion of the state's contribution. Contribution requirements are not actuarially determined but are legally established each biennium pursuant to the following state funding policy: (1) the state constitution requires the legislature to establish a member contribution rate of not less than 6.0% of the member's annual compensation and a state contribution rate of not less than 6.0% and not more than 10.0% of the aggregate annual compensation of all members of the system during that fiscal year; (2) a state statute prohibits benefit improvements or contribution reductions if, as a result of the particular action, the time required to amortize TRS's unfunded actuarial liabilities would be increased to a period that exceeds 31 years or, if the amortization period already exceeds 31 years, the period would be increased by such action. The District's employees' contributions to the system for the years ended June 30, 2008, 2009 and 2010 were \$7,274,887, \$7,975,476 and \$8,408,967, respectively, equal to the required contributions for each year. State contributions to TRS made on behalf of the District's employees and reflected in the District's basic financial statements as both revenue and expenditures for the years ended June 30, 2008, 2009 and 2010 were \$7,785,788, \$7,941,573 and \$6,326,461, respectively. The District paid additional state contributions for the years ended June 30, 2008, 2009 and 2010 in the amount of \$1,745,573, \$2,328,218 and \$2,362,098, respectively, on a portion of the employees' salaries that exceeded the statutory minimum or paid from federal grants.

NOTE 10. SCHOOL DISTRICT RETIREE HEALTH PLAN

Plan Description. Birdville Independent School District contributes to the Texas Public School Retired Employees Group Insurance Program (TRS-Care), a cost-sharing multiple-employer defined benefit postemployment health care plan administered by the Teacher Retirement System of Texas. TRS-Care Retired Plan provides health care coverage for certain persons (and their dependents) who retired under the Teacher Retirement System of Texas. The statutory authority for the program is Texas Insurance Code, Chapter 1575. Section 1575.052 grants the TRS Board of Trustees authority to establish and amend the basic and optional group insurance coverage for participants. The TRS issues a publicly available financial report that includes financial statements and required supplementary information for TRS-Care. That report may be obtained by visiting the TRS Web site at www.trs.state.tx.us, by writing to the Communications Department of the Teacher Retirement System of Texas at 1000 Red River Street, Austin, Texas 78701, or by calling 1-800-223-8778.

**BIRDVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2010**

NOTE 10. SCHOOL DISTRICT RETIREE HEALTH PLAN – CONTINUED

Funding Policy. Contribution requirements are not actuarially determined but are legally established each biennium by the Texas Legislature. Texas Insurance Code, Sections 1575.202, 203, and 204 establish state, active employee, and public school contributions, respectively. The State of Texas and active public school employee contribution rates were 1.0% and 0.65% of public school payroll, respectively, with school districts contributing a percentage of payroll set at 0.55% for fiscal years 2010, 2009 and 2008. Per Texas Insurance Code, Chapter 1575, the public school contribution may not be less than 0.25% or greater than 0.75% of the salary of each active employee of the public school. For the years ended June 30, 2010, 2009 and 2008, the State's contributions to TRS-Care were \$1,314,089, \$1,246,168, and \$1,136,701, respectively, the active member contributions were \$854,135, \$810,010, and \$738,856, respectively, and the school district's contribution were \$734,665, \$685,384, and \$625,186, respectively, which equaled the required contributions each year.

The Medicare Prescription Drug, Improvement, and Modernization Act of 2003, which was effective January 1, 2006, established prescription drug coverage for Medicare beneficiaries known as Medicare Part D. One of the provisions of Medicare D allows for the Texas Public School Retired Employee Group Insurance Program (TRS-Care) to receive retiree drug subsidy payments from the federal government to offset certain prescription drug expenditures for eligible TRS-Care participants. These on-behalf payments are recognized as equal revenues and expenditures/expenses by the District. For the year ended June 30, 2010, the contribution made on behalf of the District was \$335,580.

NOTE 11. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the District carries commercial insurance.

In years prior to 1998, the District maintained a self-insured workers' compensation plan. For this plan, stop-loss coverage was in effect for individual claims exceeding \$200,000 with an aggregate limit of \$850,000 for claims incurred during the fiscal year 1996 and \$1,000,000 for claims incurred during fiscal years 1997 and 1998. Effective September 1, 1998 through August 31, 2000 the District obtained commercial insurance to cover its risk of loss from workers' compensation claims occurring from these dates. Effective September 1, 2000 the District again maintains a self-insured workers' compensation plan. For this plan, stop-loss coverage is in effect for claims exceeding \$200,000 with an aggregate limit of \$1,000,000. Settled claims have not exceeded the aggregate coverage in any of the past three fiscal years. Insurance coverage has not been reduced for the year from the prior year. Self-insurance fund revenues and expenses are recognized on the accrual basis. Unpaid claims filed prior to June 30 and subsequently approved by the administrator of the plan are recorded as a liability.

**BIRDVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2010**

NOTE 11. RISK MANAGEMENT – CONTINUED

The claims liability of \$1,013,787 reported in the self-insurance fund at June 30, 2010 is based on an actuarial review of claims pending and an estimate of incurred but not reported claims. Changes in the fund's claims liability amount for the year ended June 30, 2010 and 2009 are as follows:

	<u>2010</u>	<u>2009</u>
Liability, beginning of year	\$ 1,485,615	\$ 1,354,412
Current year claims and changes in estimates	150,041	1,116,638
Claim payments	<u>(621,869)</u>	<u>(985,435)</u>
Liability, end of year	<u>\$ 1,013,787</u>	<u>\$ 1,485,615</u>

NOTE 12. COMMITMENTS AND CONTINGENCIES

The District participates in numerous state and federal grant programs, which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the District has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable may be impaired. In the opinion of the District, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provision has been recorded in the accompanying general purpose financial statements for such contingencies.

The District was obligated at June 30, 2010, under long-term contracts for construction, renovations, and repair of various facilities with an aggregate remaining balance of \$3,223,285.

NOTE 13. DUE FROM STATE AGENCIES

The District participates in a variety of federal and state programs from which it receives grants to partially or fully finance certain activities. In addition, the District receives entitlements from the State through the School Foundation and Per Capita Programs. Amounts due from federal and state governments as of June 30, 2010, are summarized below. All federal grants shown below are passed through the State of Texas and are reported on the combined financial statements as Due from Other Governments.

<u>Fund</u>	<u>State Entitlements</u>	<u>Federal Grants</u>	<u>Total</u>
General	\$ 14,769,245	\$ -	\$ 14,769,245
Special Revenue	<u>632,939</u>	<u>6,828,555</u>	<u>7,461,494</u>
Total	<u>\$ 15,402,184</u>	<u>\$ 6,828,555</u>	<u>\$ 22,230,739</u>

**BIRDVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2010**

NOTE 14. DEFERRED REVENUE

Deferred revenue at June 30, 2010 consisted of the following:

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Special Revenue Funds</u>	<u>Total</u>
Net tax revenue	\$2,748,010	\$ 476,199	\$ -	\$3,224,209
State funding	<u>-</u>	<u>91,730</u>	<u>278</u>	<u>92,008</u>
Total	<u>\$2,748,010</u>	<u>\$ 567,929</u>	<u>\$ 278</u>	<u>\$3,316,217</u>

NOTE 15. INTERFUND BALANCES AND ACTIVITIES

Interfund balances at June 30, 2010 consisted of the following individual fund balances:

	<u>Due to</u>	<u>Due From</u>	<u>Purpose</u>
<u>General Fund</u>			
Special Revenue Funds	\$ 388,782	\$ 4,773,957	Deficit of pooled cash / reimbursement of expenditures
Capital Projects Fund	-	4,515	Reimbursement of expenditures
Internal Service Fund	<u>-</u>	<u>144,776</u>	Reimbursement of expenditures
Total General Fund	<u>388,782</u>	<u>4,923,248</u>	
<u>Special Revenue Funds</u>			
General Fund	4,773,957	388,782	Deficit of pooled cash / reimbursement of expenditures
Agency Fund	<u>598,237</u>	<u>-</u>	Deficit of pooled cash
Total Special Revenue Funds	<u>5,372,194</u>	<u>388,782</u>	
<u>Proprietary Fund</u>			
General Fund	<u>144,776</u>	<u>-</u>	Reimbursement of expenditures
<u>Capital Projects Fund</u>			
General Fund	<u>4,515</u>	<u>-</u>	Reimbursement of expenditures
<u>Agency Fund</u>			
Special Revenue Funds	<u>-</u>	<u>598,237</u>	Deficit of pooled cash
Totals	<u>\$ 5,910,267</u>	<u>\$ 5,910,267</u>	

All amounts due are scheduled to be repaid within one year.

**BIRDVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2010**

NOTE 15. INTERFUND BALANCES AND ACTIVITIES – CONTINUED

The following transfers were made between funds during the year ended June 30, 2010:

	<u>Transfers In</u>	<u>Transfers Out</u>	<u>Purpose</u>
<u>General Fund</u>			
Special Revenue Funds	\$ 666,714	\$ 60,181	Reimbursement of expenditures and transfer of High School Allotment fund balance per State directive
Total General Fund	<u>666,714</u>	<u>60,181</u>	
<u>Special Revenue Funds</u>			
General Fund	60,181	666,714	Reimbursement of expenditures and transfer of High School Allotment fund balance per State directive
Within Special Revenue Funds	<u>7,506,014</u>	<u>7,506,014</u>	Transfer to establish scholarship fund
Total Special Revenue Funds	<u>7,566,195</u>	<u>8,172,728</u>	
Totals	<u>\$8,232,909</u>	<u>\$8,232,909</u>	

Required Supplementary Information

*All students succeed
in a future they create.*



BIRDVILLE INDEPENDENT SCHOOL DISTRICT



Birdville Independent School District

All students succeed in a future they create.

BIRDVILLE INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2010

EXHIBIT G-1

Data Control Codes	Budgeted Amounts		Actual Amounts (GAAP BASIS)	Variance With Final Budget Positive or (Negative)	
	Original	Final			
REVENUES:					
5700	Total Local and Intermediate Sources	\$ 77,739,505	\$ 78,172,877	\$ 78,020,333	\$ (152,544)
5800	State Program Revenues	80,095,633	72,882,640	70,320,841	(2,561,799)
5900	Federal Program Revenues	511,000	876,000	919,218	43,218
5020	Total Revenues	158,346,138	151,931,517	149,260,392	(2,671,125)
EXPENDITURES:					
Current:					
0011	Instruction	99,158,671	98,015,741	95,577,789	2,437,952
0012	Instructional Resources and Media Services	2,664,918	2,696,673	2,537,141	159,532
0013	Curriculum and Instructional Staff Development	931,788	972,577	788,677	183,900
0021	Instructional Leadership	2,521,212	1,908,586	1,775,669	132,917
0023	School Leadership	10,240,215	10,449,180	10,182,964	266,216
0031	Guidance, Counseling and Evaluation Services	5,541,685	1,838,158	1,478,404	359,754
0032	Social Work Services	156,737	167,237	137,269	29,968
0033	Health Services	2,311,838	2,358,881	2,214,334	144,547
0034	Student (Pupil) Transportation	4,003,090	4,276,450	3,623,610	652,840
0036	Extracurricular Activities	4,720,986	4,677,792	4,213,131	464,661
0041	General Administration	4,605,972	4,659,972	4,282,505	377,467
0051	Facilities Maintenance and Operations	17,519,521	17,609,235	16,580,930	1,028,305
0052	Security and Monitoring Services	616,359	681,403	625,760	55,643
0053	Data Processing Services	2,279,036	2,294,448	2,255,268	39,180
0061	Community Services	232,328	289,850	250,260	39,590
Debt Service:					
0071	Debt Service - Principal on Long Term Debt	624,050	427,495	425,836	1,659
0072	Debt Service - Interest on Long Term Debt	52,505	52,505	41,493	11,012
Capital Outlay:					
0081	Facilities Acquisition and Construction	-	1,035,000	1,019,641	15,359
Intergovernmental:					
0095	Payments to Juvenile Justice Alternative Ed. Prg.	112,500	122,500	107,375	15,125
0097	Payments to Tax Increment Fund	121,500	121,500	120,834	666
0099	Other Intergovernmental Charges	650,000	650,000	602,912	47,088
6030	Total Expenditures	159,064,911	155,305,183	148,841,802	6,463,381
1100	Excess (Deficiency) of Revenues Over (Under) Expenditures	(718,773)	(3,373,666)	418,590	3,792,256
OTHER FINANCING SOURCES (USES):					
7913	Capital Leases	401,000	600,000	595,791	(4,209)
7915	Transfers In	-	666,715	666,714	(1)
8911	Transfers Out (Use)	(60,000)	(85,000)	(60,181)	24,819
7080	Total Other Financing Sources (Uses)	341,000	1,181,715	1,202,324	20,609
1200	Net Change in Fund Balances	(377,773)	(2,191,951)	1,620,914	3,812,865
0100	Fund Balance - July 1 (Beginning)	47,196,383	47,196,383	47,196,383	-
3000	Fund Balance - June 30 (Ending)	\$ 46,818,610	\$ 45,004,432	\$ 48,817,297	\$ 3,812,865

**BIRDVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2010**

BUDGETARY DATA

The Board of Trustees adopts an "appropriated budget" on a GAAP basis for the General Fund, Food Service Fund, which is included in the Special Revenue funds, and Debt Service Fund. The District is required to present the adopted and final amended budgeted revenues and expenditures for each of these funds. The District compares the final amended budget to actual revenues and expenditures. The General Fund budget appears in Exhibit G-1 and the other two budgets are in Exhibits J-4 and J-5.

The following procedures are followed in establishing the budgetary data:

1. Prior to June 20 the District prepares a budget for the next succeeding fiscal year beginning July 1. The operating budget includes proposed expenditures and the means of financing them.
2. A meeting of the Board is then called for the purpose of adopting the proposed budget. At least ten day's public notice of the meeting must be given.
3. Prior to July 1, the budget is legally enacted through resolution by the Board. Once a budget is approved, it can only be amended at the function and fund level by approval of a majority of the members of the Board. Amendments are presented to the Board at its regular meetings. Each amendment is made before the fact, is reflected in the official minutes of the Board, and is not made after fiscal year end. Because the District has a policy of careful budgetary control, several amendments were necessary during the year. Significant amendments were made to the following functional areas:

Function	<u>Increase (Decrease)</u>
Instruction	\$(1,142,930)
Instructional Leadership	(612,626)
School Leadership	208,965
Guidance, Counseling & Evaluation Services	(3,703,527)
Student (Pupil) Transportation	273,360
Debt Service	(196,555)
Facilities Acquisition and Construction	1,035,000

4. Budgeted amounts are as amended by the Board. All budget appropriations lapse at year end.
5. The Texas Education Agency requires these budgets to be filed with the Texas Education Agency. The budget should not exceed expenditures in any functional expenditure category under TEA requirements. The original and final amended versions of these budgets are used in this report.

All students succeed in a future they create.

Combining and Individual Fund Statements and Schedules



BIRDVILLE INDEPENDENT SCHOOL DISTRICT

BIRDVILLE INDEPENDENT SCHOOL DISTRICT

Nonmajor Governmental Funds

Special Revenue Funds

Year Ended June 30, 2010

The Special Revenue Funds are used to account for proceeds of specific revenue sources that are restricted to expenditures for specified purposes. The revenue sources include federal, state, and local grants, as well as gas lease proceeds specified for various purposes. Resources accounted for in the Special Revenue Funds include:

Title IV, Part A - Safe and Drug Free School & Communities Act – Support and develop comprehensive violence and drug/alcohol education prevention programs.

Title I, Part A - Improving Basic Programs – Provide opportunities for children to acquire skills needed to meet state performance standards.

Title I, Part B – Even Start Family Literacy – Assist parents in becoming full partners in their child's education by integrating adult and early childhood education into a unified family-centered program.

Adult Basic Education – Provide educational and literacy services to adults beyond compulsory school attendance age who do not have a high school diploma, lack basic educational skills, or are unable to speak, read or write the English language.

IDEA Part B, Formula – Operate educational programs for children with disabilities.

IDEA Part B, Preschool – Operate programs for preschool children with disabilities.

National School Breakfast and Lunch Program – Operate child nutritional programs.

Career and Technical Basic Grant – Provide or improve career and technical education programs for paid and unpaid employment.

Title II, Part A - Teacher and Principal Training and Recruiting – Increase student academic achievement through increasing the number of qualified teachers, assistant principals and principals.

Title II, Part D - Enhancing Education Through Technology – Support comprehensive system that effectively uses technology in elementary and secondary schools to improve student academic achievement.

Title III, Part A - English Language Acquisition and Language Enhancement – Improve the education of limited English proficient children by assisting the children to learn English.

21st Century Community Learning Centers – Provide opportunities for academic enrichment and additional services to students and literary and related educational development for families of students.

Title XIV ARRA, State Fiscal Stabilization Fund – Improve basic programs as authorized by the ESEA of 1965 as amended by the NCLB of 2001, IDEA, Adult and Family Literacy Act, Carl D. Perkins and Technical Education Act of 2006, or for the modernization, renovation, or repair of public school facilities.

Title II, Part D, ARRA – Enhancing Education through Technology – Support comprehensive system that effectively uses technology in elementary and secondary schools to improve student academic achievement.

IDEA Part B, Formula, ARRA – Operate educational programs for children with disabilities.

IDEA Part B, Preschool, ARRA – Operate programs for preschool children with disabilities.

Title I, Part A, ARRA - Improving Basic Programs – Provide opportunities for children to acquire skills needed to meet state performance standards.

Title VI, Part A - Summer School LEP – Summer school program for LEP students.

SSA IDEA Part B, Discretionary – Provide educational programs for children with hearing disabilities.

SSA IDEA Part B, Deaf – Provide educational programs for children with hearing disabilities.

SSA IDEA Part B, Preschool Deaf – Provide educational programs for preschool children with hearing disabilities.

SSA IDEA Part C - Early Intervention Deaf – Provide direct services to hearing impaired children, birth through age two.

State Supplemental Visually Impaired (SSVI) – Provide services to visually impaired students.

Life Skills Program – Provide pregnant and parenting students the services needed to complete school.

Advanced Placement Incentives – Professional development for teachers teaching advanced classes.

Investment Capital Funds – Support the implementation of practices and procedures to improve student achievement and increase parental involvement in the schools through staff development and training.

Optional Extended-Year Program – Provide for extended-year programs.

Student Success Initiative – Provide training for teachers and the implementation of scientific, research-based programs to support students identified as unlikely to achieve state performance standards in reading.

High School Completion and Success – Support the implementation of programs to improve high school graduation rates and post-secondary readiness.

Technology Allotment – Purchase technological software or equipment that contributes to student learning or training for educational personnel involved in the use of such materials.

Pre-Kindergarten Early Start – Provide for implementation of prekindergarten and school readiness programs.

Texas Educator Excellence Award Grant (TEEG) – Support approved campus incentive plan to award teachers and other school staff for improving student achievement.

District Awards for Teacher Excellence (DATE) – Support district level incentive plans for teachers.

High School Allotment – Support preparation of students for higher education, encourage students to take advanced academic course work, increase rigor of academic work, align secondary and postsecondary curriculum and support high school completion and success initiatives in grades 6 through 12.

Other State Special Revenues – Read to Succeed: support public school libraries and strengthen campus reading programs. Tobacco Education for Students: Education and prevention of tobacco use.

SSA Regional Day School for the Deaf – Provide funding for staff and services to students with auditory handicaps.

SSA Pre-Kindergarten Early Start – Provide for implementation of prekindergarten and school readiness programs.

Campus Activity Funds – Account for transactions related to principals' activity funds.

Local Fine Arts – Account for expenditure of contributions for the fine arts program.

Workshops – Account for expenditure of contributions for special services programs.

Local Special Projects – Account for expenditure of gas lease proceeds designated for special projects.

After School Tutoring – Account for expenditure of contributions to an after school tutoring program.

Foundation Grants – Account for expenditure of grants received from the Birdville Education Foundation.

Scholarship Fund – Account for expenditure of funds for scholarships to District students who attend Tarrant County College.

BIRDVILLE INDEPENDENT SCHOOL DISTRICT
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2010

Data Control Codes	204 ESEA Title IV Safe & Drug Free Schools	211 ESEA I, A Improving Basic Program	213 ESEA Title I Part B Even Start	220 Adult Education Federal
ASSETS				
1110	Cash and Cash Equivalents	\$ -	\$ -	\$ -
1240	Receivables from Other Governments	43,108	1,092,640	41,219
1250	Accrued Interest	-	-	-
1260	Due from Other Funds	-	-	-
1290	Other Receivables	-	-	-
1300	Inventories	-	-	-
1910	Long-term Investments	-	-	-
1000	Total Assets	<u>\$ 43,108</u>	<u>\$ 1,092,640</u>	<u>\$ 41,219</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
2110	Accounts Payable	\$ 1,599	\$ 54,830	\$ 25,091
2160	Accrued Wages Payable	3,573	281,871	-
2170	Due to Other Funds	37,936	755,939	16,128
2300	Deferred Revenues	-	-	-
2000	Total Liabilities	<u>43,108</u>	<u>1,092,640</u>	<u>41,219</u>
Fund Balances:				
Reserved For:				
3410	Investments in Inventory	-	-	-
3440	Outstanding Encumbrances	-	-	-
3450	Food Service	-	-	-
Unreserved Designated For:				
3590	Other Purposes	-	-	-
Unreserved and Undesignated:				
3610	Reported in Special Revenue Funds	-	-	-
3000	Total Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>
4000	Total Liabilities and Fund Balances	<u>\$ 43,108</u>	<u>\$ 1,092,640</u>	<u>\$ 41,219</u>

224 IDEA - Part B Formula	225 IDEA - Part B Preschool	240 National Breakfast and Lunch Program	244 Career and Technical - Basic Grant	255 ESEA II,A Training and Recruiting	262 Title II, D Education Technology	263 Title III, A English Lang. Acquisition	265 21st Century Community Learning
\$ -	\$ -	\$ 3,208,163	\$ -	\$ -	\$ -	\$ -	\$ -
1,103,299	23,282	21,490	28,090	218,952	12,219	120,515	540,848
-	-	-	-	-	-	-	-
-	-	329,498	-	-	-	-	-
-	-	4,807	-	-	-	-	-
-	-	107,494	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 1,103,299</u>	<u>\$ 23,282</u>	<u>\$ 3,671,452</u>	<u>\$ 28,090</u>	<u>\$ 218,952</u>	<u>\$ 12,219</u>	<u>\$ 120,515</u>	<u>\$ 540,848</u>
\$ 214	\$ -	\$ 21,983	\$ -	\$ 197	\$ 228	\$ 277	\$ 21,332
518,667	10,556	404,714	12,557	94,345	-	45,682	104,158
584,418	12,726	-	15,533	124,410	11,991	74,556	415,358
-	-	-	-	-	-	-	-
<u>1,103,299</u>	<u>23,282</u>	<u>426,697</u>	<u>28,090</u>	<u>218,952</u>	<u>12,219</u>	<u>120,515</u>	<u>540,848</u>
-	-	107,494	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	3,137,261	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	3,244,755	-	-	-	-	-
<u>\$ 1,103,299</u>	<u>\$ 23,282</u>	<u>\$ 3,671,452</u>	<u>\$ 28,090</u>	<u>\$ 218,952</u>	<u>\$ 12,219</u>	<u>\$ 120,515</u>	<u>\$ 540,848</u>

BIRDVILLE INDEPENDENT SCHOOL DISTRICT
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2010

Data Control Codes	266 Title XIV ARRA State Stabilization	279 Title II, D ARRA - Ed. Technology	283 IDEA, Pt. B ARRA Formula	284 IDEA, Pt. B ARRA Preschool	
ASSETS					
1110	Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -
1240	Receivables from Other Governments	2,675,435	2,787	501,195	13,872
1250	Accrued Interest	-	-	-	-
1260	Due from Other Funds	-	-	-	-
1290	Other Receivables	-	-	-	-
1300	Inventories	-	-	-	-
1910	Long-term Investments	-	-	-	-
1000	Total Assets	<u>\$ 2,675,435</u>	<u>\$ 2,787</u>	<u>\$ 501,195</u>	<u>\$ 13,872</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
2110	Accounts Payable	\$ -	\$ -	\$ 817	\$ -
2160	Accrued Wages Payable	963,425	-	164,572	-
2170	Due to Other Funds	1,712,010	2,787	335,806	13,872
2300	Deferred Revenues	-	-	-	-
2000	Total Liabilities	<u>2,675,435</u>	<u>2,787</u>	<u>501,195</u>	<u>13,872</u>
Fund Balances:					
Reserved For:					
3410	Investments in Inventory	-	-	-	-
3440	Outstanding Encumbrances	-	-	-	-
3450	Food Service	-	-	-	-
Unreserved Designated For:					
3590	Other Purposes	-	-	-	-
Unreserved and Undesignated:					
3610	Reported in Special Revenue Funds	-	-	-	-
3000	Total Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
4000	Total Liabilities and Fund Balances	<u>\$ 2,675,435</u>	<u>\$ 2,787</u>	<u>\$ 501,195</u>	<u>\$ 13,872</u>

285 ESEA I,A ARRA - Impr. Basic Program	289 Summer School LEP	315 SSA IDEA, Part B Discretionary	316 SSA IDEA, Part B Deaf	317 SSA - IDEA, B Preschool Deaf	340 SSA - IDEA C Deaf - Early Intervention	385 Visually Impaired SSVI	394 Life Skills Program
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,269	\$ -
343,552	-	19,310	9,897	711	64	-	41,539
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 343,552</u>	<u>\$ -</u>	<u>\$ 19,310</u>	<u>\$ 9,897</u>	<u>\$ 711</u>	<u>\$ 64</u>	<u>\$ 1,269</u>	<u>\$ 41,539</u>
\$ 11,103	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,062
148,227	-	5,459	3,038	-	-	1,269	-
184,222	-	13,851	6,859	711	64	-	32,477
-	-	-	-	-	-	-	-
<u>343,552</u>	<u>-</u>	<u>19,310</u>	<u>9,897</u>	<u>711</u>	<u>64</u>	<u>1,269</u>	<u>41,539</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 343,552</u>	<u>\$ -</u>	<u>\$ 19,310</u>	<u>\$ 9,897</u>	<u>\$ 711</u>	<u>\$ 64</u>	<u>\$ 1,269</u>	<u>\$ 41,539</u>

BIRDVILLE INDEPENDENT SCHOOL DISTRICT
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2010

Data Control Codes	397 Advanced Placement Incentives	399 Investment Capital Funds	401 Optional Extended Year Program	404 Student Success Initiative
ASSETS				
1110	Cash and Cash Equivalents	\$ 22,272	\$ -	\$ -
1240	Receivables from Other Governments	-	84,281	63,754
1250	Accrued Interest	-	-	-
1260	Due from Other Funds	-	-	-
1290	Other Receivables	-	-	-
1300	Inventories	-	-	-
1910	Long-term Investments	-	-	-
1000	Total Assets	<u>\$ 22,272</u>	<u>\$ 84,281</u>	<u>\$ 63,754</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
2110	Accounts Payable	\$ -	\$ 852	\$ -
2160	Accrued Wages Payable	-	7,590	63,754
2170	Due to Other Funds	-	75,839	-
2300	Deferred Revenues	-	-	-
2000	Total Liabilities	<u>-</u>	<u>84,281</u>	<u>63,754</u>
Fund Balances:				
Reserved For:				
3410	Investments in Inventory	-	-	-
3440	Outstanding Encumbrances	-	-	-
3450	Food Service	-	-	-
Unreserved Designated For:				
3590	Other Purposes	-	-	-
Unreserved and Undesignated:				
3610	Reported in Special Revenue Funds	22,272	-	-
3000	Total Fund Balances	<u>22,272</u>	<u>-</u>	<u>-</u>
4000	Total Liabilities and Fund Balances	<u>\$ 22,272</u>	<u>\$ 84,281</u>	<u>\$ 63,754</u>

409 High School Completion and Success	411 Technology Allotment	415 Kindergarten and Pre-K Grants	426 TX Educator Excellence Award Grant	427 Awards for Teacher Excellence	428 High School Allotment	429 Other State Special Revenue Funds	435 SSA Regional Day School - Deaf
\$ -	\$ -	\$ 86,853	\$ 3,708	\$ 31,494	\$ -	\$ 3,426	\$ 205,116
34,506	-	-	-	5,069	-	-	78,857
-	-	-	-	-	-	-	-
-	51,651	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 34,506</u>	<u>\$ 51,651</u>	<u>\$ 86,853</u>	<u>\$ 3,708</u>	<u>\$ 36,563</u>	<u>\$ -</u>	<u>\$ 3,426</u>	<u>\$ 283,973</u>
\$ -	\$ -	\$ 148	\$ -	\$ 2,250	\$ -	\$ -	\$ -
-	51,651	86,705	-	811	-	-	75,379
34,506	-	-	3,708	33,502	-	-	9,731
-	-	-	-	-	-	278	-
<u>34,506</u>	<u>51,651</u>	<u>86,853</u>	<u>3,708</u>	<u>36,563</u>	<u>-</u>	<u>278</u>	<u>85,110</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	3,148	198,863
-	-	-	-	-	-	3,148	198,863
<u>\$ 34,506</u>	<u>\$ 51,651</u>	<u>\$ 86,853</u>	<u>\$ 3,708</u>	<u>\$ 36,563</u>	<u>\$ -</u>	<u>\$ 3,426</u>	<u>\$ 283,973</u>

BIRDVILLE INDEPENDENT SCHOOL DISTRICT
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2010

Data Control Codes	459 SSA Pre-K Grant	461 Campus Activity Funds	483 Local Fine Arts	487 Workshops
ASSETS				
1110 Cash and Cash Equivalents	\$ -	\$ 1,251,163	\$ 18,944	\$ 18,851
1240 Receivables from Other Governments	160,846	-	-	-
1250 Accrued Interest	-	-	-	-
1260 Due from Other Funds	-	7,633	-	-
1290 Other Receivables	-	-	-	-
1300 Inventories	-	-	-	-
1910 Long-term Investments	-	-	-	-
1000 Total Assets	<u>\$ 160,846</u>	<u>\$ 1,258,796</u>	<u>\$ 18,944</u>	<u>\$ 18,851</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
2110 Accounts Payable	\$ 1,531	\$ -	\$ 6,855	\$ -
2160 Accrued Wages Payable	-	-	-	-
2170 Due to Other Funds	159,315	598,237	-	-
2300 Deferred Revenues	-	-	-	-
2000 Total Liabilities	<u>160,846</u>	<u>598,237</u>	<u>6,855</u>	<u>-</u>
Fund Balances:				
Reserved For:				
3410 Investments in Inventory	-	-	-	-
3440 Outstanding Encumbrances	-	-	-	-
3450 Food Service	-	-	-	-
Unreserved Designated For:				
3590 Other Purposes	-	-	-	-
Unreserved and Undesignated:				
3610 Reported in Special Revenue Funds	-	660,559	12,089	18,851
3000 Total Fund Balances	<u>-</u>	<u>660,559</u>	<u>12,089</u>	<u>18,851</u>
4000 Total Liabilities and Fund Balances	<u>\$ 160,846</u>	<u>\$ 1,258,796</u>	<u>\$ 18,944</u>	<u>\$ 18,851</u>

490 Local Special Projects	493 After School Tutoring	497 Foundation Grants	498 Scholarship Fund	Total Nonmajor Governmental Funds
\$ 4,429,895	\$ -	\$ -	\$ 2,328,305	\$ 11,609,459
-	-	-	-	7,461,494
-	-	-	36,317	36,317
-	-	-	-	388,782
-	-	20,843	-	25,650
-	-	-	-	107,494
-	-	-	5,803,461	5,803,461
<u>\$ 4,429,895</u>	<u>\$ -</u>	<u>\$ 20,843</u>	<u>\$ 8,168,083</u>	<u>\$ 25,432,657</u>
\$ 934,356	\$ -	\$ 2,772	\$ -	\$ 1,095,497
-	-	-	-	3,140,952
423	-	18,071	-	5,372,194
-	-	-	-	278
<u>934,779</u>	<u>-</u>	<u>20,843</u>	<u>-</u>	<u>9,608,921</u>
-	-	-	-	107,494
3,223,285	-	-	-	3,223,285
-	-	-	-	3,137,261
271,831	-	-	8,168,083	8,439,914
-	-	-	-	915,782
<u>3,495,116</u>	<u>-</u>	<u>-</u>	<u>8,168,083</u>	<u>15,823,736</u>
<u>\$ 4,429,895</u>	<u>\$ -</u>	<u>\$ 20,843</u>	<u>\$ 8,168,083</u>	<u>\$ 25,432,657</u>

BIRDVILLE INDEPENDENT SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2010

Data Control Codes	204 ESEA Title IV Safe & Drug Free Schools	211 ESEA I, A Improving Basic Program	213 ESEA Title I Part B Even Start	220 Adult Education Federal	
REVENUES:					
5700	Total Local and Intermediate Sources	\$ -	\$ -	\$ -	\$ -
5800	State Program Revenues	-	-	-	-
5900	Federal Program Revenues	66,971	3,033,031	139,369	100,795
5020	Total Revenues	<u>66,971</u>	<u>3,033,031</u>	<u>139,369</u>	<u>100,795</u>
EXPENDITURES:					
Current:					
0011	Instruction	58,826	2,600,995	55,925	45,878
0012	Instructional Resources and Media Services	-	-	-	-
0013	Curriculum and Instructional Staff Development	-	87,667	5,973	-
0021	Instructional Leadership	-	309,763	56,575	54,917
0023	School Leadership	-	-	-	-
0031	Guidance, Counseling and Evaluation Services	-	29,589	-	-
0032	Social Work Services	8,145	-	-	-
0033	Health Services	-	-	-	-
0034	Student (Pupil) Transportation	-	-	-	-
0035	Food Services	-	-	-	-
0036	Extracurricular Activities	-	-	-	-
0041	General Administration	-	-	-	-
0051	Facilities Maintenance and Operations	-	-	-	-
0061	Community Services	-	5,017	20,896	-
Capital Outlay:					
0081	Facilities Acquisition and Construction	-	-	-	-
Intergovernmental:					
0093	Payments to Fiscal Agent/Member Districts of	-	-	-	-
6030	Total Expenditures	<u>66,971</u>	<u>3,033,031</u>	<u>139,369</u>	<u>100,795</u>
1100	Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
OTHER FINANCING SOURCES (USES):					
7915	Transfers In	-	-	-	-
8911	Transfers Out (Use)	-	-	-	-
7080	Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
1200	Net Change in Fund Balance	-	-	-	-
0100	Fund Balance - July 1 (Beginning)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
3000	Fund Balance - June 30 (Ending)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

224 IDEA - Part B Formula	225 IDEA - Part B Preschool	240 National Breakfast and Lunch Program	244 Career and Technical - Basic Grant	255 ESEA II,A Training and Recruiting	262 Title II, D Education Technology	263 Title III, A English Lang. Acquisition	265 21st Century Community Learning
\$ -	\$ -	\$ 3,707,911	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	322,497	-	-	-	-	-
3,416,322	119,504	6,300,389	257,790	778,999	38,490	353,208	1,583,171
<u>3,416,322</u>	<u>119,504</u>	<u>10,330,797</u>	<u>257,790</u>	<u>778,999</u>	<u>38,490</u>	<u>353,208</u>	<u>1,583,171</u>
2,911,180	119,504	-	213,875	602,312	4,961	267,132	947,936
-	-	-	-	-	-	-	-
5,183	-	-	43,915	82,337	33,529	35,581	501,917
119,347	-	-	-	32,181	-	9,123	103,078
1,595	-	-	-	20,600	-	-	-
250,110	-	-	-	-	-	-	-
62,431	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
66,119	-	-	-	-	-	-	-
-	-	10,209,779	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	41,569	-	-	-
357	-	-	-	-	-	-	30,240
-	-	-	-	-	-	41,372	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>3,416,322</u>	<u>119,504</u>	<u>10,209,779</u>	<u>257,790</u>	<u>778,999</u>	<u>38,490</u>	<u>353,208</u>	<u>1,583,171</u>
-	-	121,018	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	121,018	-	-	-	-	-
-	-	3,123,737	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,244,755</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

BIRDVILLE INDEPENDENT SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2010

Data Control Codes	266 Title XIV ARRA State Stabilization	279 Title II, D ARRA - Ed. Technology	283 IDEA, Pt. B ARRA Formula	284 IDEA, Pt. B ARRA Preschool	
REVENUES:					
5700	Total Local and Intermediate Sources	\$ -	\$ -	\$ -	\$ -
5800	State Program Revenues	-	-	-	-
5900	Federal Program Revenues	9,348,080	2,723	2,096,762	43,354
5020	Total Revenues	<u>9,348,080</u>	<u>2,723</u>	<u>2,096,762</u>	<u>43,354</u>
EXPENDITURES:					
Current:					
0011	Instruction	4,867,192	2,573	1,766,934	41,052
0012	Instructional Resources and Media Services	-	-	-	-
0013	Curriculum and Instructional Staff Development	64,149	150	94,206	2,302
0021	Instructional Leadership	644,226	-	27,377	-
0023	School Leadership	-	-	-	-
0031	Guidance, Counseling and Evaluation Services	3,772,513	-	-	-
0032	Social Work Services	-	-	-	-
0033	Health Services	-	-	33,386	-
0034	Student (Pupil) Transportation	-	-	174,820	-
0035	Food Services	-	-	-	-
0036	Extracurricular Activities	-	-	-	-
0041	General Administration	-	-	-	-
0051	Facilities Maintenance and Operations	-	-	-	-
0061	Community Services	-	-	39	-
Capital Outlay:					
0081	Facilities Acquisition and Construction	-	-	-	-
Intergovernmental:					
0093	Payments to Fiscal Agent/Member Districts of SSA	-	-	-	-
6030	Total Expenditures	<u>9,348,080</u>	<u>2,723</u>	<u>2,096,762</u>	<u>43,354</u>
1100	Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
OTHER FINANCING SOURCES (USES):					
7915	Transfers In	-	-	-	-
8911	Transfers Out (Use)	-	-	-	-
7080	Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
1200	Net Change in Fund Balance	-	-	-	-
0100	Fund Balance - July 1 (Beginning)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
3000	Fund Balance - June 30 (Ending)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

285 ESEA I,A ARRA - Impr. Basic Program	289 Summer School LEP	315 SSA IDEA, Part B Discretionary	316 SSA IDEA, Part B Deaf	317 SSA - IDEA, B Preschool Deaf	340 SSA - IDEA C Deaf - Early Intervention	385 Visually Impaired SSVI	394 Life Skills Program
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	21,675	57,214
992,824	23,610	45,770	21,815	4,039	944	-	-
<u>992,824</u>	<u>23,610</u>	<u>45,770</u>	<u>21,815</u>	<u>4,039</u>	<u>944</u>	<u>21,675</u>	<u>57,214</u>
955,418	23,610	45,770	18,929	4,039	944	21,675	57,214
-	-	-	-	-	-	-	-
17,937	-	-	2,886	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
19,469	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>992,824</u>	<u>23,610</u>	<u>45,770</u>	<u>21,815</u>	<u>4,039</u>	<u>944</u>	<u>21,675</u>	<u>57,214</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

BIRDVILLE INDEPENDENT SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2010

Data Control Codes	397 Advanced Placement Incentives	399 Investment Capital Funds	401 Optional Extended Year Program	404 Student Success Initiative
REVENUES:				
5700 Total Local and Intermediate Sources	\$ -	\$ -	\$ -	\$ -
5800 State Program Revenues	52,462	229,583	63,754	243,190
5900 Federal Program Revenues	-	-	-	-
5020 Total Revenues	<u>52,462</u>	<u>229,583</u>	<u>63,754</u>	<u>243,190</u>
EXPENDITURES:				
Current:				
0011 Instruction	22,110	182,221	63,754	221,718
0012 Instructional Resources and Media Services	-	-	-	9,942
0013 Curriculum and Instructional Staff Development	34,374	43,362	-	-
0021 Instructional Leadership	-	-	-	-
0023 School Leadership	-	-	-	11,530
0031 Guidance, Counseling and Evaluation Services	-	-	-	-
0032 Social Work Services	-	-	-	-
0033 Health Services	-	-	-	-
0034 Student (Pupil) Transportation	-	-	-	-
0035 Food Services	-	-	-	-
0036 Extracurricular Activities	-	-	-	-
0041 General Administration	-	-	-	-
0051 Facilities Maintenance and Operations	-	4,000	-	-
0061 Community Services	-	-	-	-
Capital Outlay:				
0081 Facilities Acquisition and Construction	-	-	-	-
Intergovernmental:				
0093 Payments to Fiscal Agent/Member Districts of SSA	-	-	-	-
6030 Total Expenditures	<u>56,484</u>	<u>229,583</u>	<u>63,754</u>	<u>243,190</u>
1100 Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(4,022)</u>	<u>-</u>	<u>-</u>	<u>-</u>
OTHER FINANCING SOURCES (USES):				
7915 Transfers In	-	-	-	-
8911 Transfers Out (Use)	-	-	-	-
7080 Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
1200 Net Change in Fund Balance	(4,022)	-	-	-
0100 Fund Balance - July 1 (Beginning)	<u>26,294</u>	<u>-</u>	<u>-</u>	<u>-</u>
3000 Fund Balance - June 30 (Ending)	<u>\$ 22,272</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

BIRDVILLE INDEPENDENT SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2010

Data Control Codes	459 SSA Pre-K Grant	461 Campus Activity Funds	483 Local Fine Arts	487 Workshops
REVENUES:				
5700 Total Local and Intermediate Sources	\$ -	\$ 1,977,762	\$ 10,020	\$ 4,228
5800 State Program Revenues	709,823	-	-	-
5900 Federal Program Revenues	-	-	-	-
5020 Total Revenues	<u>709,823</u>	<u>1,977,762</u>	<u>10,020</u>	<u>4,228</u>
EXPENDITURES:				
Current:				
0011 Instruction	-	85,895	-	-
0012 Instructional Resources and Media Services	-	-	-	-
0013 Curriculum and Instructional Staff Development	-	-	-	6,548
0021 Instructional Leadership	34,893	-	-	-
0023 School Leadership	-	-	-	-
0031 Guidance, Counseling and Evaluation Services	-	-	-	-
0032 Social Work Services	-	-	-	-
0033 Health Services	-	-	-	-
0034 Student (Pupil) Transportation	-	-	-	-
0035 Food Services	-	-	-	-
0036 Extracurricular Activities	-	1,973,764	-	-
0041 General Administration	-	-	-	-
0051 Facilities Maintenance and Operations	-	-	-	-
0061 Community Services	-	-	-	-
Capital Outlay:				
0081 Facilities Acquisition and Construction	-	-	-	-
Intergovernmental:				
0093 Payments to Fiscal Agent/Member Districts of SSA	674,930	-	-	-
6030 Total Expenditures	<u>709,823</u>	<u>2,059,659</u>	<u>-</u>	<u>6,548</u>
1100 Excess (Deficiency) of Revenues Over (Under)	<u>-</u>	<u>(81,897)</u>	<u>10,020</u>	<u>(2,320)</u>
OTHER FINANCING SOURCES (USES):				
7915 Transfers In	-	-	-	-
8911 Transfers Out (Use)	-	-	-	-
7080 Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
1200 Net Change in Fund Balance	-	(81,897)	10,020	(2,320)
0100 Fund Balance - July 1 (Beginning)	<u>-</u>	<u>742,456</u>	<u>2,069</u>	<u>21,171</u>
3000 Fund Balance - June 30 (Ending)	<u>\$ -</u>	<u>\$ 660,559</u>	<u>\$ 12,089</u>	<u>\$ 18,851</u>

490 Local Special Projects	493 After School Tutoring	497 Foundation Grants	498 Scholarship Fund	Total Nonmajor Governmental Funds
\$ 246,193	\$ -	\$ 69,900	\$ 662,069	\$ 6,958,303
-	-	-	-	5,248,497
-	-	-	-	28,767,960
<u>246,193</u>	<u>-</u>	<u>69,900</u>	<u>662,069</u>	<u>40,974,760</u>
-	2,692	68,102	-	19,142,757
-	-	1,798	-	12,139
-	-	-	-	1,967,424
-	-	-	-	1,565,565
-	-	-	-	33,725
-	-	-	-	4,052,212
-	-	-	-	70,576
-	-	-	-	33,386
-	-	-	-	240,939
-	-	-	-	10,209,779
-	-	-	-	1,973,764
-	-	-	-	41,569
-	-	-	-	34,597
-	-	-	-	86,793
1,913,240	-	-	-	1,913,240
-	-	-	-	674,930
<u>1,913,240</u>	<u>2,692</u>	<u>69,900</u>	<u>-</u>	<u>42,053,395</u>
<u>(1,667,047)</u>	<u>(2,692)</u>	<u>-</u>	<u>662,069</u>	<u>(1,078,635)</u>
-	-	-	7,506,014	7,566,195
<u>(7,506,014)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(8,172,728)</u>
<u>(7,506,014)</u>	<u>-</u>	<u>-</u>	<u>7,506,014</u>	<u>(606,533)</u>
(9,173,061)	(2,692)	-	8,168,083	(1,685,168)
<u>12,668,177</u>	<u>2,692</u>	<u>-</u>	<u>-</u>	<u>17,508,904</u>
<u>\$ 3,495,116</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,168,083</u>	<u>\$ 15,823,736</u>



Birdville Independent School District

All students succeed in a future they create.

BIRDVILLE INDEPENDENT SCHOOL DISTRICT
 SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
 AGENCY FUND
 FOR THE YEAR ENDED 30, 2010

	Balance July 1, 2009	Additions	Deductions	Balance June 30, 2010
Student Activity Fund				
Assets				
Cash and cash equivalents	\$ 26,993	\$ 46,275	\$ 47,439	\$ 25,829
Due from other funds	548,549	1,133,794	1,084,106	598,237
	<u>\$ 575,542</u>	<u>\$ 1,180,069</u>	<u>\$ 1,131,545</u>	<u>\$ 624,066</u>
Total assets	<u>\$ 575,542</u>	<u>\$ 1,180,069</u>	<u>\$ 1,131,545</u>	<u>\$ 624,066</u>
Liabilities				
Due to student groups	\$ 575,542	\$ 2,524,664	\$ 2,476,140	\$ 624,066
	<u>\$ 575,542</u>	<u>\$ 2,524,664</u>	<u>\$ 2,476,140</u>	<u>\$ 624,066</u>
Total liabilities	<u>\$ 575,542</u>	<u>\$ 2,524,664</u>	<u>\$ 2,476,140</u>	<u>\$ 624,066</u>



Birdville Independent School District

All students succeed in a future they create.

*All students succeed
in a future they create.*

Required TEA Schedules



BIRDVILLE INDEPENDENT SCHOOL DISTRICT

BIRDVILLE INDEPENDENT SCHOOL DISTRICT
 SCHEDULE OF DELINQUENT TAXES RECEIVABLE
 FISCAL YEAR ENDED JUNE 30, 2010

Last 10 Years	(1)	(2)	(3)
	Tax Rates		Assessed/Appraised Value for School Tax Purposes
	Maintenance	Debt Service	
2001 and prior years	Various	Various	\$ Various
2002	1.419800	0.150000	5,204,280,044
2003	1.455000	0.162000	5,668,493,380
2004	1.455000	0.162000	5,899,556,044
2005	1.465000	0.152000	6,165,856,861
2006	1.465000	0.152000	6,357,870,019
2007	1.339000	0.226000	6,755,819,844
2008	1.040000	0.365000	7,052,993,271
2009	1.040000	0.370000	7,556,727,742
2010 (School year under audit)	1.040000	0.365000	7,562,473,674
1000 TOTALS			
9000 Portion of Row 1000 for Taxes Paid into Tax Increment Zone Under Chapter 311, Tax Code			\$ -

(10) Beginning Balance 7/1/2009	(20) Current Year's Total Levy	(31) Maintenance Collections	(32) Debt Service Collections	(40) Entire Year's Adjustments	(50) Ending Balance 6/30/2010
\$ 1,813,674	\$ -	\$ 6,737	\$ 1,144	\$ (219,326)	\$ 1,586,467
274,011	-	3,995	422	(1,099)	268,495
256,477	-	7,651	852	(1,922)	246,052
338,693	-	9,801	1,091	(2,038)	325,763
335,118	-	22,389	2,323	(3,976)	306,430
362,206	-	(2,012)	(209)	(41,065)	323,362
473,539	-	28,983	4,892	(33,492)	406,172
630,406	-	107,891	37,866	(41,583)	443,066
3,020,406	-	1,458,491	518,886	(352,267)	690,762
-	103,231,690	73,929,233	25,946,323	(1,303,345)	2,052,789
<u>\$ 7,504,530</u>	<u>\$ 103,231,690</u>	<u>\$ 75,573,159</u>	<u>\$ 26,513,590</u>	<u>\$ (2,000,113)</u>	<u>\$ 6,649,358</u>
\$ -	\$ 120,834	\$ 120,834	\$ -	\$ -	\$ -

BIRDVILLE INDEPENDENT SCHOOL DISTRICT
 SCHEDULE OF EXPENDITURES FOR COMPUTATIONS OF INDIRECT COST FOR 2011-2012
 GENERAL AND SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2010

FUNCTION 41 AND RELATED FUNCTION 53 - GENERAL ADMINISTRATION, 99 - APPRAISAL DISTRICT COST

Account Number	Account Name	1	2	3	4	5	6	7
		(702) School Board	(703) Tax Collections	(701) Supt's Office	(750) Indirect Cost	(720) Direct Cost	(other) Miscellaneous	Total
611X-6146	PAYROLL COSTS	\$ 32,527	\$ -	\$ 266,650	\$ 3,225,977	\$ -	\$ -	\$ 3,525,154
6149	Leave for Separating Employees in Fn 41 & 53	-	-	-	-	-	-	-
6149	Leave - Separating Employees not in 41 & 53	-	-	-	-	-	-	-
6211	Legal Services	138,129	-	-	-	-	-	138,129
6212	Audit Services	-	-	-	47,500	-	-	47,500
6213	Tax Appraisal/Collection - Appraisal in Fn 99	-	603,028	-	-	-	-	603,028
621X	Other Professional Services	-	-	-	138,952	-	-	138,952
6220	Tuition and Transfer Payments	-	-	-	-	-	-	-
6230	Education Service Centers	-	-	-	-	-	-	-
6240	Contr. Maint. and Repair	-	-	-	-	45,121	-	45,121
6250	Utilities	-	-	-	-	480	-	480
6260	Rentals	-	-	-	13,262	-	-	13,262
6290	Miscellaneous Contr.	-	-	-	248,624	-	-	248,624
6320	Textbooks and Reading	-	-	1,183	2,412	-	-	3,595
6330	Testing Materials	-	-	-	-	-	-	-
63XX	Other Supplies Materials	449	-	746	110,938	-	-	112,133
6410	Travel, Subsistence, Stipends	23,432	-	12,465	46,160	-	-	82,057
6420	Ins. and Bonding Costs	52,805	-	-	263	-	-	53,068
6430	Election Costs	155	-	-	-	-	-	155
6490	Miscellaneous Operating	24,489	-	19,119	110,177	-	-	153,785
6500	Debt Service	-	-	-	-	-	-	-
6600	Capital Outlay	-	-	-	-	-	-	-
6000	TOTAL	\$ 271,986	\$ 603,028	\$ 300,163	\$ 3,944,265	\$ 45,601	\$ -	\$ 5,165,043

Total expenditures/expenses for General and Special Revenue Funds: (9) \$ 190,764,720

LESS: Deductions of Unallowable Costs

FISCAL YEAR

Total Capital Outlay (6600)	(10)	\$ 4,927,505
Total Debt & Lease(6500)	(11)	467,329
Plant Maintenance (Function 51, 6100-6400)	(12)	16,398,131
Food (Function 35, 6341 and 6499)	(13)	3,388,347
Stipends (6413)	(14)	-
Column 4 (above) - Total Indirect Cost		<u>3,944,265</u>

SubTotal: 29,125,577

Net Allowed Direct Cost \$ 161,639,143

CUMULATIVE

Total Cost of Buildings before Depreciation (1520)	(15)	\$ 410,329,177
Historical Cost of Building over 50 years old	(16)	\$ 13,929,103
Amount of Federal Money in Building Cost (Net of #16)	(17)	\$ -
Total Cost of Furniture & Equipment before Depreciation (1530 & 1540)	(18)	\$ 18,967,027
Historical Cost of Furniture & Equipment over 16 years old	(19)	\$ 2,412,108
Amount of Federal Money in Furniture & Equipment (Net of #19)	(20)	\$ 3,672,564

(8) NOTE A: \$238,057 in Function 53 expenditures are included in this report on administrative costs.
 \$602,912 in Function 99 expenditures for appraisal district costs are included in this report on administrative costs.

BIRDVILLE INDEPENDENT SCHOOL DISTRICT
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - CHILD NUTRITION PROGRAM
 FOR THE YEAR ENDED JUNE 30, 2010

Data Control Codes	Budgeted Amounts		Actual Amounts (GAAP BASIS)	Variance With Final Budget Positive or (Negative)
	Original	Final		
REVENUES:				
5700 Total Local and Intermediate Sources	\$ 4,099,700	\$ 4,099,700	\$ 3,707,911	\$ (391,789)
5800 State Program Revenues	325,040	355,040	322,497	(32,543)
5900 Federal Program Revenues	5,331,000	5,552,800	6,300,389	747,589
5020 Total Revenues	9,755,740	10,007,540	10,330,797	323,257
EXPENDITURES:				
0035 Food Services	9,896,640	10,901,255	10,209,779	691,476
6030 Total Expenditures	9,896,640	10,901,255	10,209,779	691,476
1200 Net Change in Fund Balances	(140,900)	(893,715)	121,018	1,014,733
0100 Fund Balance - July 1 (Beginning)	3,123,737	3,123,737	3,123,737	-
3000 Fund Balance - June 30 (Ending)	\$ 2,982,837	\$ 2,230,022	\$ 3,244,755	\$ 1,014,733

BIRDVILLE INDEPENDENT SCHOOL DISTRICT
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - DEBT SERVICE FUND
 FOR THE YEAR ENDED JUNE 30, 2010

Data Control Codes	Budgeted Amounts		Actual Amounts (GAAP BASIS)	Variance With Final Budget Positive or (Negative)	
	Original	Final			
REVENUES:					
5700	Total Local and Intermediate Sources	\$ 26,211,795	\$ 26,512,506	\$ 26,739,788	\$ 227,282
5800	State Program Revenues	320,000	545,078	532,124	(12,954)
5020	Total Revenues	26,531,795	27,057,584	27,271,912	214,328
EXPENDITURES:					
Debt Service:					
0071	Debt Service - Principal on Long Term Debt	17,643,899	17,643,899	17,643,899	-
0072	Debt Service - Interest on Long Term Debt	9,774,358	9,774,358	9,774,357	1
0073	Debt Service - Bond Issuance Cost and Fees	30,000	30,000	12,250	17,750
6030	Total Expenditures	27,448,257	27,448,257	27,430,506	17,751
1200	Net Change in Fund Balances	(916,462)	(390,673)	(158,594)	232,079
0100	Fund Balance - July 1 (Beginning)	6,883,632	6,883,632	6,883,632	-
3000	Fund Balance - June 30 (Ending)	\$ 5,967,170	\$ 6,492,959	\$ 6,725,038	\$ 232,079



*All students succeed
in a future they create.*

Statistical Section



BIRDVILLE INDEPENDENT SCHOOL DISTRICT



Birdville Independent School District

All students succeed in a future they create.

**STATISTICAL SECTION
UNAUDITED**

This section of the Birdville Independent School District's comprehensive annual financial report presents information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the District's overall financial health.

	<u>Schedule</u>
Financial Trends These schedules contain trend information to help the reader understand how the District's financial performance and well being has changed over time.	I-IV
Revenue Capacity These schedules contain information to help the reader assess the District's most significant own source revenue, the property tax.	V-VIII
Debt Capacity These schedules present information to help the reader assess the District's current outstanding debt, the District's ability to repay the debt and issue additional debt in the future, if needed.	IX-XII
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	XII-XIV
Operating Information These schedules contain operational and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.	XV-XVIII

Birdville Independent School District
Net Assets, Governmental Activities
Last Nine Fiscal Years
UNAUDITED
(Accrual Basis of Accounting)

	<u>2002</u>	<u>2003</u>	<u>2004</u>
Governmental Activities			
Invested in capital assets, net of related debt	\$ 14,370,938	\$ 14,972,192	\$ 17,730,120
Restricted	4,783,910	5,650,792	6,442,700
Unrestricted	<u>20,217,002</u>	<u>18,739,744</u>	<u>18,333,655</u>
Total Governmental Activities Net Assets	<u><u>\$ 39,371,850</u></u>	<u><u>\$ 39,362,728</u></u>	<u><u>\$ 42,506,475</u></u>

Note: The District began to report government-wide net asset information with the implementation of GASB Statement No. 34 in 2002.

⁽¹⁾ Fiscal year end was changed from August 31 to June 30 effective September 1, 2006.

Source of Information: Birdville Independent School District Audited Financial Statements.

<u>2005</u>	<u>2006</u>	<u>2007⁽¹⁾</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
\$ 17,236,483	\$ 14,368,063	\$ 12,650,724	\$ 21,239,658	\$ 25,027,184	\$ 31,814,453
3,493,824	2,556,545	4,762,929	4,302,396	8,314,886	7,570,572
<u>15,801,210</u>	<u>10,573,944</u>	<u>22,098,375</u>	<u>26,227,863</u>	<u>19,026,883</u>	<u>13,119,821</u>
<u>\$ 36,531,517</u>	<u>\$ 27,498,552</u>	<u>\$ 39,512,028</u>	<u>\$ 51,769,917</u>	<u>\$ 52,368,953</u>	<u>\$ 52,504,846</u>

Birdville Independent School District
Change in Net Assets
Last Nine Fiscal Years
UNAUDITED
(Accrual Basis of Accounting)

	2002	2003	2004
Governmental Activities			
Expenses by Function			
Instruction	\$ 89,091,356	\$ 94,978,655	\$ 94,390,783
Instructional Resources and Media Services	2,597,443	2,667,315	2,524,867
Curriculum and Instructional Staff Development	455,527	1,296,152	1,592,797
Instructional Leadership	2,226,599	2,307,580	2,067,499
School Leadership	8,646,475	8,932,360	8,894,224
Guidance, Counseling and Evaluation Services	3,231,297	3,703,736	3,903,616
Social Work Services	99,611	96,436	106,324
Health Services	1,889,821	1,787,252	1,755,931
Student (Pupil) Transportation	2,840,676	3,340,309	3,041,340
Food Services	7,477,900	8,128,728	8,218,912
Extracurricular Activities	5,444,489	5,399,928	6,067,212
General Administration	4,353,210	2,060,764	2,544,075
Plant Maintenance and Operations	15,291,870	14,711,854	14,013,898
Security Monitoring Services	35,156	25,733	177,150
Data Processing Services	1,728,794	1,877,281	2,254,276
Community Services	332,205	295,380	298,045
Debt Service - Interest on Long Term Debt	9,976,827	9,750,123	8,661,032
Debt Service - Bond Issuance Cost and Fees	-	-	-
Facilities Acquisition and Construction	3,211,302	3,215,900	5,069,267
Payments to Juvenile Justice Alternative Ed Prg	39,354	42,778	41,512
Payments to Tax Increment Fund	103,087	105,652	89,894
Other Intergovernmental Charges	-	1,323	45,192
Total Primary Government Expenses	159,072,999	164,725,239	165,757,846
Program Revenues			
Charges for Services			
Instruction	803,170	528,226	517,819
Curriculum and Staff Development	229,606	155,159	264,256
Food Services	3,964,457	3,862,547	3,896,271
Extracurricular Activities	2,370,248	2,577,211	2,534,952
Plant Maintenance and Operations	109,742	106,336	137,883
Operating Grants and Contributions	16,363,816	20,698,822	20,398,085
Total Primary Government Program Revenues	23,841,039	27,928,301	27,749,266
Total Primary Government Net (Expense) Revenue	(135,231,960)	(136,796,938)	(138,008,580)
General Revenues and Other Changes in Net Assets			
Taxes			
Property Taxes, Levied for General Purposes	72,384,262	80,572,654	84,536,174
Property Taxes, Levied for Debt Service	7,647,512	8,895,344	9,460,195
Grants and Contributions not Restricted	47,666,305	44,928,622	41,017,670
Investment Earnings	2,306,763	1,526,550	1,123,752
Miscellaneous Local and Intermediate Revenue	684,516	534,028	756,501
Special Item-Gain(Loss) on Disposal of Captial Assets	-	(8,571)	(49,907)
Special Item-Mineral Lease Revenue	-	-	-
Total General Revenues	130,689,358	136,448,627	136,844,385
Change in Net Assets	\$ (4,542,602)	\$ (348,311)	\$ (1,164,195)

Note: The District began to report government-wide information with the implementation of GASB Statement No. 34 in 2002.

⁽¹⁾ Fiscal year end was changed from August 31 to June 30 effective September 1, 2006.

Source of Information: Birdville Independent School District Audited Financial Statements.

	2005	2006	2007 ⁽¹⁾	2008	2009	2010
\$	97,069,282	\$ 100,382,918	\$ 96,770,914	\$ 115,496,129	\$ 116,714,184	\$ 123,678,615
	2,537,460	2,631,103	2,265,074	2,895,807	2,833,177	2,921,302
	1,815,222	1,759,994	1,725,681	2,007,785	1,827,698	2,756,101
	2,759,720	2,965,712	2,657,747	2,964,762	2,878,321	3,367,861
	9,147,947	9,426,100	9,323,125	9,959,924	10,691,801	10,750,230
	4,342,842	4,595,162	4,785,651	5,244,714	5,553,524	5,643,635
	156,635	200,380	191,141	242,589	200,497	207,845
	1,701,157	1,894,110	1,823,846	2,244,422	2,225,365	2,298,119
	3,365,649	3,531,510	3,316,915	3,872,175	3,426,887	3,463,784
	8,402,186	8,699,231	8,638,790	9,517,885	10,062,610	10,471,936
	6,121,253	6,586,795	5,979,526	6,730,773	7,590,352	6,762,131
	5,151,342	5,322,888	4,596,580	4,814,025	4,501,660	4,542,043
	14,754,741	16,761,533	13,491,570	15,545,950	16,240,065	17,190,213
	490,703	550,294	471,012	651,898	671,064	646,192
	2,151,371	1,978,013	1,868,386	2,518,189	2,547,312	2,522,911
	454,609	448,540	372,750	307,391	300,840	402,934
	9,663,906	9,604,023	9,768,313	14,934,910	14,166,925	15,474,756
	80,107	211,708	268,638	182,314	201,405	154,987
	68,195	2,757,818	1,886,392	-	1,692,310	1,608,338
	42,591	84,974	70,320	46,980	83,125	107,375
	50,645	90,490	122,013	109,714	121,264	120,834
	89,983	102,553	-	610,846	592,164	1,277,842
	<u>170,417,546</u>	<u>180,585,849</u>	<u>170,394,384</u>	<u>200,899,182</u>	<u>205,122,550</u>	<u>216,369,984</u>
	478,019	482,008	506,042	612,652	671,837	834,976
	234,716	117,994	81,693	385,735	-	-
	3,686,269	3,697,847	3,428,592	4,139,346	3,989,929	3,699,251
	2,560,153	2,822,523	2,414,629	2,558,326	2,711,760	2,373,246
	408,704	125,661	83,526	216,768	107,883	134,423
	<u>22,200,291</u>	<u>23,729,896</u>	<u>23,142,695</u>	<u>28,986,749</u>	<u>30,948,020</u>	<u>44,297,566</u>
	<u>29,568,152</u>	<u>30,975,929</u>	<u>29,657,177</u>	<u>36,899,576</u>	<u>38,429,429</u>	<u>51,339,462</u>
	<u>(140,849,394)</u>	<u>(149,609,920)</u>	<u>(140,737,207)</u>	<u>(163,999,606)</u>	<u>(166,693,121)</u>	<u>(165,030,522)</u>
	88,057,238	92,594,599	88,502,957	71,697,279	76,815,665	75,510,985
	9,105,458	9,591,449	14,832,210	24,671,361	27,057,065	26,516,638
	36,114,445	34,514,260	43,663,217	62,713,660	61,830,146	61,972,808
	1,813,666	3,708,529	5,851,397	7,616,486	3,882,320	549,263
	98,066	147,022	195,078	-	224,168	616,721
	-	21,096	(294,175)	(1,823,022)	-	-
	-	-	-	11,381,730	-	-
	<u>135,188,873</u>	<u>140,576,955</u>	<u>152,750,684</u>	<u>176,257,494</u>	<u>169,809,364</u>	<u>165,166,415</u>
\$	<u>(5,660,521)</u>	<u>(9,032,965)</u>	<u>\$ 12,013,477</u>	<u>\$ 12,257,888</u>	<u>\$ 3,116,243</u>	<u>\$ 135,893</u>

**Birdville Independent School District
Fund Balances, Governmental Funds
Last Ten Fiscal Years
UNAUDITED
(Modified Accrual Basis of Accounting)**

	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
General Fund				
Reserved	\$ 515,986	\$ 540,290	\$ 518,104	\$ 591,582
Unreserved	<u>28,262,407</u>	<u>28,515,966</u>	<u>32,076,297</u>	<u>36,146,954</u>
Total General Fund	<u><u>\$ 28,778,393</u></u>	<u><u>\$ 29,056,256</u></u>	<u><u>\$ 32,594,401</u></u>	<u><u>\$ 36,738,536</u></u>
All Other Governmental Funds				
Debt Service Fund				
Reserved	\$ 3,698,505	\$ 2,886,373	\$ 2,977,323	\$ 3,550,879
Unreserved	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Debt Service Fund	<u><u>\$ 3,698,505</u></u>	<u><u>\$ 2,886,373</u></u>	<u><u>\$ 2,977,323</u></u>	<u><u>\$ 3,550,879</u></u>
Capital Projects Fund				
Reserved	\$ 6,479,505	\$ 14,817,487	\$ 13,989,697	\$ 11,328,935
Unreserved	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Capital Projects Fund	<u><u>\$ 6,479,505</u></u>	<u><u>\$ 14,817,487</u></u>	<u><u>\$ 13,989,697</u></u>	<u><u>\$ 11,328,935</u></u>
Special Revenue Funds				
Reserved	\$ 1,732,306	\$ 2,375,810	\$ 2,658,615	\$ 2,918,542
Unreserved	<u>2,743,725</u>	<u>3,252,510</u>	<u>3,312,641</u>	<u>3,383,540</u>
Total Other Governmental Funds	<u><u>\$ 4,476,031</u></u>	<u><u>\$ 5,628,320</u></u>	<u><u>\$ 5,971,256</u></u>	<u><u>\$ 6,302,082</u></u>
Total All Other Governmental Funds				
Reserved	\$ 11,910,316	\$ 20,079,670	\$ 19,625,635	\$ 17,798,356
Unreserved	<u>2,743,725</u>	<u>3,252,510</u>	<u>3,312,641</u>	<u>3,383,540</u>
Total All Other Governmental Funds	<u><u>\$ 14,654,041</u></u>	<u><u>\$ 23,332,180</u></u>	<u><u>\$ 22,938,276</u></u>	<u><u>\$ 21,181,896</u></u>

⁽¹⁾ Fiscal year end was changed from August 31 to June 30 effective September 1, 2006.

Source of Information: Birdville Independent School District Audited Financial Statements.

2005	2006	2007 ⁽¹⁾	2008	2009	2010
\$ 717,990	\$ 743,220	\$ 630,946	\$ 782,044	\$ 1,739,111	\$ 1,119,439
37,146,089	35,384,303	45,854,693	44,127,434	45,457,272	47,697,858
<u>\$ 37,864,079</u>	<u>\$ 36,127,523</u>	<u>\$ 46,485,639</u>	<u>\$ 44,909,478</u>	<u>\$ 47,196,383</u>	<u>\$ 48,817,297</u>
\$ 1,879,722	\$ 1,730,603	\$ 4,643,536	\$ 4,379,191	\$ 6,883,632	\$ 6,725,038
-	-	-	-	-	-
<u>\$ 1,879,722</u>	<u>\$ 1,730,603</u>	<u>\$ 4,643,536</u>	<u>\$ 4,379,191</u>	<u>\$ 6,883,632</u>	<u>\$ 6,725,038</u>
\$ 1,034,923	\$ 30,685,594	\$ 112,120,200	\$ 60,185,324	\$ 24,406,674	\$ 6,297,371
-	-	-	-	-	-
<u>\$ 1,034,923</u>	<u>\$ 30,685,594</u>	<u>\$ 112,120,200</u>	<u>\$ 60,185,324</u>	<u>\$ 24,406,674</u>	<u>\$ 6,297,371</u>
\$ 2,683,595	\$ 2,392,687	\$ 2,610,658	\$ 2,921,384	\$ 3,123,737	\$ 6,468,040
3,242,065	4,290,078	4,974,302	16,753,019	14,385,167	9,355,696
<u>\$ 5,925,660</u>	<u>\$ 6,682,765</u>	<u>\$ 7,584,960</u>	<u>\$ 19,674,403</u>	<u>\$ 17,508,904</u>	<u>\$ 15,823,736</u>
\$ 5,598,240	\$ 34,808,884	\$ 119,374,394	\$ 67,485,899	\$ 34,414,043	\$ 19,490,449
3,242,065	4,290,078	4,974,302	16,753,019	14,385,167	9,355,696
<u>\$ 8,840,305</u>	<u>\$ 39,098,962</u>	<u>\$ 124,348,696</u>	<u>\$ 84,238,918</u>	<u>\$ 48,799,210</u>	<u>\$ 28,846,145</u>

Birdville Independent School District
Changes in Fund Balances, Governmental Funds
Last Nine Fiscal Years
UNAUDITED
(Modified Accrual Basis of Accounting)

	2002	2003	2004
Revenues			
Total Local and Intermediate Sources	\$ 89,452,965	\$ 98,357,842	\$ 103,700,493
State Program Revenues	55,458,191	55,888,309	49,576,318
Federal Program Revenues	8,571,930	9,739,135	11,839,437
Total Revenues	<u>153,483,086</u>	<u>163,985,286</u>	<u>165,116,248</u>
Expenditures			
Instruction	80,728,626	87,777,760	87,504,121
Instructional Resources and Media Services	2,335,382	2,424,216	2,268,055
Curriculum and Instructional Staff Development	454,168	1,300,700	1,591,633
Instructional Leadership	2,196,535	2,295,391	2,046,234
School Leadership	8,274,759	8,635,869	8,545,010
Guidance, Counseling and Evaluation Services	3,140,726	3,642,249	3,820,425
Social Work Services	99,064	96,436	106,184
Health Services	1,695,193	1,758,270	1,722,416
Student (Pupil) Transportation	2,856,776	3,022,446	2,916,792
Food Services	6,811,083	7,498,753	7,518,583
Extracurricular Activities	5,060,216	5,031,945	5,244,374
General Administration	4,185,388	4,292,510	4,151,515
Plant Maintenance and Operations	14,905,860	14,262,643	13,446,609
Security Monitoring Services	32,011	25,733	467,162
Data Processing Services	1,700,217	1,954,352	2,280,492
Community Services	278,334	245,920	243,815
Debt Service - Principal on Long Term Debt	9,842,575	10,368,907	8,450,661
Debt Service - Interest on Long Term Debt	5,388,540	4,681,358	6,764,543
Debt Service - Bond Issuance Cost and Fees	-	311,429	490,251
Facilities Acquisition and Construction	8,389,781	4,099,116	8,615,677
Payments to Juvenile Justice Alternative Ed Prg	39,354	42,778	41,512
Payments to Tax Increment Fund	103,087	105,652	89,894
Other Governmental Charges	-	1,323	45,192
Total Expenditures	<u>158,517,675</u>	<u>163,875,756</u>	<u>168,371,150</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(5,034,589)</u>	<u>109,530</u>	<u>(3,254,902)</u>
Other Financing Sources (Uses)			
Proceeds on Issuance of Bonds	10,840,148	23,677,103	45,626,186
Premium or Discount on Issuance of Bonds	-	-	5,003,194
Prepaid Interest	-	77,007	212,200
Proceeds on Capital Leases	3,085,319	2,378,288	4,979,826
Transfers In	-	-	-
Transfers Out	-	-	-
Other Sources (Uses)	4,929,194	-	-
Payment to Bond Refunding Escrow Agent	(4,864,070)	(23,436,877)	(50,178,749)
Total Other Financing Sources (Uses)	<u>13,990,591</u>	<u>2,695,521</u>	<u>5,642,657</u>
Net Change in Fund Balances	<u>\$ 8,956,002</u>	<u>\$ 2,805,051</u>	<u>\$ 2,387,755</u>
Debt Service as a Percentage of Noncapital Expenditures	9.98%	9.61%	9.82%

Note: Information is not available at the presented level of detail prior to fiscal year 2002.

⁽¹⁾ Fiscal year end was changed from August 31 to June 30 effective September 1, 2006.

Source of Information: Birdville Independent School District Audited Financial Statements.

Schedule IV

2005	2006	2007 ⁽¹⁾	2008	2009	2010
\$ 106,617,986	\$ 112,821,234	\$ 114,967,225	\$ 123,332,777	\$ 116,445,376	\$ 111,757,714
45,207,675	43,999,433	53,057,036	76,144,081	77,612,638	76,101,462
13,107,061	14,244,723	13,748,876	15,453,961	14,882,617	29,687,178
<u>164,932,722</u>	<u>171,065,390</u>	<u>181,773,137</u>	<u>214,930,819</u>	<u>208,940,631</u>	<u>217,546,354</u>
88,166,715	92,031,169	90,320,693	105,906,545	107,501,928	114,720,546
2,333,963	2,383,841	2,040,305	2,551,240	2,496,852	2,549,280
1,824,622	1,757,148	1,733,947	2,007,785	1,827,698	2,756,101
2,733,161	2,942,459	2,645,727	2,940,253	2,853,361	3,341,234
8,807,115	9,075,988	9,034,140	9,407,729	10,205,675	10,216,689
4,268,670	4,512,444	4,732,937	5,146,246	5,457,719	5,530,616
156,635	200,380	190,894	242,589	200,497	207,845
1,665,972	1,858,685	1,790,904	2,194,210	2,179,134	2,247,720
3,367,231	3,550,661	3,379,401	3,812,851	3,570,081	3,864,549
8,087,502	8,579,034	7,800,974	8,829,957	9,743,807	10,209,779
5,308,982	5,799,134	5,666,811	5,903,934	6,953,500	6,186,895
4,536,145	4,704,385	4,095,262	4,194,486	4,293,507	4,324,074
14,315,260	16,576,325	13,588,322	15,325,085	16,011,569	16,615,527
353,064	392,224	339,267	493,828	585,497	625,760
2,109,942	1,859,721	1,718,124	2,357,531	2,273,618	2,255,268
400,601	400,187	326,621	251,573	258,118	337,053
9,496,312	9,936,853	9,520,448	18,035,068	17,044,824	18,069,735
6,999,164	7,441,473	7,612,825	9,866,909	9,442,700	9,815,850
80,107	398,740	971,682	15,460	491,626	12,250
11,516,895	11,941,783	11,698,964	56,927,041	77,175,739	21,081,474
50,645	90,490	70,320	46,980	83,125	107,375
89,983	102,553	122,013	109,714	121,264	120,834
42,591	84,974	-	610,846	592,164	1,277,842
<u>176,711,277</u>	<u>186,620,651</u>	<u>179,400,581</u>	<u>257,177,860</u>	<u>281,364,003</u>	<u>236,474,296</u>
<u>(11,778,555)</u>	<u>(15,555,261)</u>	<u>2,372,556</u>	<u>(42,247,041)</u>	<u>(72,423,372)</u>	<u>(18,927,942)</u>
-	40,315,000	96,507,115	-	42,600,000	-
-	3,155,993	9,324,528	-	1,213,238	-
-	153,438	309,394	-	-	-
876,946	431,835	391,011	536,102	465,791	595,791
222,165	1,360,662	558,053	1,015,396	2,601,941	8,232,909
(222,165)	(1,360,662)	(558,053)	(990,396)	(147,344)	(8,232,909)
-	21,096	128,840	-	(4,891,688)	-
-	-	(13,425,594)	-	-	-
<u>876,946</u>	<u>44,077,362</u>	<u>93,235,294</u>	<u>561,102</u>	<u>41,841,938</u>	<u>595,791</u>
<u>\$ (10,901,609)</u>	<u>\$ 28,522,101</u>	<u>\$ 95,607,850</u>	<u>\$ (41,685,939)</u>	<u>\$ (30,581,434)</u>	<u>\$ (18,332,151)</u>
10.09%	10.10%	10.72%	14.03%	13.21%	12.98%

Birdville Independent School District
Assessed Value and Actual Value of Taxable Property
Last Ten Fiscal Years
UNAUDITED

Schedule V

<u>Fiscal Year</u>	<u>Real Property</u>	<u>Personal Property</u>	<u>Less: Exemptions</u>	<u>Total Taxable Value</u>	<u>Total Direct Tax Rate^a</u>
2001	\$ 4,698,267,698	\$ 929,125,473	\$ 914,719,075	\$ 4,712,674,096	\$ 1.570
2002	5,301,072,114	1,012,770,204	1,109,562,274	5,204,280,044	1.570
2003	5,819,135,552	988,654,460	1,139,296,632	5,668,493,380	1.617
2004	6,173,247,686	934,746,756	1,208,438,398	5,899,556,044	1.617
2005	6,337,529,825	964,271,587	1,135,944,551	6,165,856,861	1.617
2006	6,650,878,329	984,162,926	1,277,171,236	6,357,870,019	1.617
2007 ⁽¹⁾	6,914,744,939	1,011,010,909	1,169,936,004	6,755,819,844	1.565
2008	7,187,264,496	1,044,843,729	1,179,114,954	7,052,993,271	1.405
2009	7,529,069,350	1,176,347,374	1,148,688,982	7,556,727,742	1.410
2010	7,543,835,742	1,232,751,001	1,214,113,069	7,562,473,674	1.405

⁽¹⁾ Fiscal year end was changed from August 31 to June 30 effective September 1, 2006.

Source of Information: Tarrant County Tax Office

^a Per \$100 of assessed value.



Birdville Independent School District

All students succeed in a future they create.

Birdville Independent School District
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
UNAUDITED

Fiscal Year	District Direct Rates			City of Colleyville	City of Fort Worth	City of Haltom City	City of Hurst
	Operating	Debt Service	Total				
2001	\$ 1.416	\$ 0.154	\$ 1.570	\$ 0.347	\$ 0.875	\$ 0.456	\$ 0.511
2002	1.420	0.150	1.570	0.347	0.865	0.456	0.501
2003	1.455	0.162	1.617	0.347	0.865	0.456	0.499
2004	1.455	0.162	1.617	0.347	0.865	0.521	0.499
2005	1.465	0.152	1.617	0.347	0.865	0.542	0.499
2006	1.465	0.152	1.617	0.347	0.865	0.558	0.499
2007 ⁽¹⁾	1.339	0.226	1.565	0.347	0.860	0.567	0.518
2008	1.040	0.365	1.405	0.356	0.855	0.598	0.535
2009	1.040	0.370	1.410	0.356	0.855	0.598	0.535
2010	1.040	0.365	1.405	0.356	0.855	0.598	0.535

⁽¹⁾ Fiscal year end was changed from August 31 to June 30 effective September 1, 2006.

Source of information: Tarrant Appraisal District

^a Rates include operating and debt service. Per \$100 of assessed value.

Overlapping Rates ^a

City of North Richland Hills	City of Richland Hills	Tarrant County	Tarrant County College District	Tarrant County Hospital District	City of Watauga
\$ 0.570	\$ 0.418	\$ 0.275	\$ 0.106	\$ 0.234	\$ 0.659
0.570	0.417	0.275	0.106	0.234	0.637
0.570	0.417	0.273	0.139	0.232	0.599
0.570	0.428	0.273	0.139	0.235	0.581
0.570	0.436	0.273	0.139	0.235	0.581
0.570	0.436	0.273	0.139	0.235	0.581
0.570	0.442	0.272	0.139	0.235	0.581
0.570	0.451	0.267	0.139	0.230	0.581
0.570	0.459	0.264	0.138	0.228	0.581
0.570	0.473	0.264	0.138	0.228	0.581

**Birdville Independent School District
Principal Property Taxpayers
Current Year and Nine Years Ago
UNAUDITED**

Schedule VII

Principal Taxpayers	2010			2001		
	2009-2010 Assessed Valuation	Rank	Percentage of Total Assessed Value	2000-2001 Assessed Valuation	Rank	Percentage of Total Assessed Value
Melvin Simon & Assoc Inc	\$ 112,012,418	1	1.48%	\$ 48,983,070	1	1.04%
Oncor Electric Delivery Co LLC (formerly TXU Electric)	56,999,528	2	0.75%	48,604,023	2	1.03%
Chesapeake Operating (Wi)	54,097,270	3	0.72%	-	-	-
Western Rim Investors 2001-3 LP/1997-2	42,849,166	4	0.57%	-	-	-
Sara Lee Corporation	40,058,444	5	0.53%	-	-	-
Hospital Corp of Amercia	34,993,639	6	0.46%	28,497,492	7	0.60%
Southwestern Bell	33,312,796	7	0.44%	38,753,240	3	0.82%
Halawa View Apartments	31,647,325	8	0.42%	30,000,000	5	0.64%
Abscoa Industries Inc	27,795,606	9	0.37%	-	-	-
Austin Bridge Company	25,146,338	10	0.33%	-	-	-
Richland Centre Inc & Richland Centre Assoc				31,128,500	4	0.66%
Kimberly Clark-Technol, Inc & Technol, Inc				29,922,890	6	0.63%
Wal-Mart Real Esttte Bus Tr				24,903,608	8	0.53%
Food Brands America Inc				19,564,171	9	0.42%
Meadows Nrh Assoc, LP				19,363,602	10	0.41%

Source of information: Tarrant Appraisal District

Birdville Independent School District
Property Tax Levies and Collections
Last Ten Fiscal Years
UNAUDITED

Schedule VIII

Fiscal Year	Tax Levy	Subsequent Adjustments to Levy	Adjusted Levy	Collected within the Fiscal Year of Levy		Collections in Subsequent Years	Total Collections to Date	
				Amount	Percentage of Levy		Amount	Percentage of Levy
2001	\$ 72,222,177	\$ (590,668)	\$ 71,631,509	\$ 70,328,258	98.18%	\$ 1,042,191	\$ 71,370,449	99.64%
2002	79,602,416	(531,463)	79,070,953	77,507,181	98.02%	1,295,277	78,802,458	99.66%
2003	88,817,294	(735,402)	88,081,892	86,815,476	98.56%	1,020,364	87,835,840	99.72%
2004	92,189,070	1,025,183	93,214,253	91,611,496	98.28%	1,276,996	92,888,492	99.65%
2005	95,481,875	550,126	96,032,001	94,578,715	98.49%	1,146,856	95,725,571	99.68%
2006	100,999,333	117,410	101,116,743	99,477,084	98.38%	1,316,297	100,793,381	99.68%
2007 ⁽¹⁾	102,430,096	(807,694)	101,622,402	98,103,845	96.54%	3,112,385	101,216,230	99.60%
2008	96,076,520	(214,071)	95,862,449	92,699,096	96.70%	2,720,287	95,419,383	99.54%
2009	102,454,662	567,538	103,022,200	100,354,061	97.41%	1,977,377	102,331,438	99.33%
2010	103,231,690	(1,303,345)	101,928,345	99,875,556	97.99%	-	99,875,556	97.99%

⁽¹⁾ Fiscal year end was changed from August 31 to June 30 effective September 1, 2006.

Source of Information: Tarrant County Tax Office

Birdville Independent School District
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
UNAUDITED

Schedule IX

Fiscal Year	Governmental Activities		Total Primary Government	Debt as Percentage of Assessed Value ^a	Debt per Student ^b	Debt per Capita ^b
	General Obligation Bonds	Capital Leases				
2001	\$ 158,184,767	\$ 3,364,294	\$ 161,549,061	3.43%	\$ 7,604	\$ 1,272
2002	161,256,968	4,319,685	165,576,653	3.18%	7,613	1,282
2003	152,958,037	4,554,171	157,512,208	2.78%	7,082	1,200
2004	146,953,809	6,155,409	153,109,218	2.60%	6,820	1,165
2005	140,315,298	4,174,553	144,489,851	2.34%	6,480	1,086
2006	172,843,322	2,456,511	175,299,833	2.76%	7,797	1,295
2007 ⁽¹⁾	251,475,318	1,396,629	252,871,947	3.74%	11,245	1,861
2008	234,385,476	987,504	235,372,980	3.34%	10,695	1,707
2009	255,639,100	989,847	256,628,947	3.40%	11,403	1,855
2010	237,995,201	1,159,802	239,155,003	3.16%	10,445	1,724

⁽¹⁾ Fiscal year end was changed from August 31 to June 30 effective September 1, 2006.

Source of Information: Birdville Independent School District Audited Financial Statements.

^a See Schedule V for assessed value.

^b See Schedule XIII for personal income and population data.

**Birdville Independent School District
Direct and Overlapping Bonded Debt
June 30, 2010
UNAUDITED**

Schedule X

Taxing Body	Net Debt Outstanding		Percent Overlapping ^b	Amount Overlapping
	Amount ^a	As of		
City of Colleyville	\$ 19,150,000	6/30/2010	0.16%	\$ 30,640
City of Fort Worth	643,420,000	6/30/2010	0.95%	6,112,490
City of Haltom City	47,055,000	6/30/2010	88.65%	41,714,258
City of Hurst	60,715,000	6/30/2010	36.11%	21,924,187
City of North Richland Hills	93,140,000	6/30/2010	86.13%	80,221,482
City of Richland Hills	8,114,000	6/30/2010	95.94%	7,784,572
Tarrant County	322,210,000	6/30/2010	6.53%	21,040,313
Tarrant County College District	36,495,000	6/30/2010	6.50%	2,372,175
Tarrant County Hospital District	28,000,000	6/30/2010	6.53%	1,828,400
City of Watauga	18,100,000	6/30/2010	59.38%	10,747,780
Total Overlapping Debt				193,776,297
Birdville Independent School District	237,995,201	6/30/2010	100.00%	237,995,201
Total Direct and Overlapping Debt				\$ 431,771,498
Ratio of Total Direct and Overlapping Net Debt to 2010 Taxable Assessed Valuation^c				5.71%

Source of Information: Municipal Advisory Council of Texas.

^a Excludes interest accreted on outstanding capital appreciation bonds.

^b The percentage of overlapping debt is estimated using taxable property values. Percentages were estimated by determining the portion of another governmental unit's taxable value that is within the District's boundaries and dividing it by each unit's total taxable value.

^c See Schedule V for 2010 Taxable Assessed Valuation

Birdville Independent School District
Legal Debt Margin Information
Last Ten Fiscal Years
UNAUDITED

	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
Maximum Debt Limit	\$ 471,267,410	\$ 520,428,004	\$ 566,849,338	\$ 589,955,604
Total Net Debt Applicable to Limit	<u>154,486,262</u>	<u>158,370,595</u>	<u>149,980,714</u>	<u>143,402,930</u>
Legal Debt Margin	<u>\$ 316,781,148</u>	<u>\$ 362,057,409</u>	<u>\$ 416,868,624</u>	<u>\$ 446,552,674</u>
Total Net Debt Applicable to Limit as a Percentage of Debt Limit	<u>67.22%</u>	<u>69.57%</u>	<u>73.54%</u>	<u>75.69%</u>

⁽¹⁾ Fiscal year end was changed from August 31 to June 30 effective September 1, 2006.

2005	2006	2007 ⁽¹⁾	2008	2009	2010
\$ 616,585,686	\$ 635,787,002	\$ 675,581,984	\$ 705,299,327	\$ 755,672,774	\$ 756,247,367
<u>138,435,576</u>	<u>171,112,719</u>	<u>246,831,782</u>	<u>230,006,285</u>	<u>248,755,468</u>	<u>231,270,163</u>
<u>\$ 478,150,110</u>	<u>\$ 464,674,283</u>	<u>\$ 428,750,202</u>	<u>\$ 475,293,042</u>	<u>\$ 506,917,306</u>	<u>\$ 524,977,204</u>
<u>77.55%</u>	<u>73.09%</u>	<u>63.46%</u>	<u>67.39%</u>	<u>67.08%</u>	<u>69.42%</u>

Computation of Legal Debt Margin

Assessed Value	\$ 7,562,473,674
Debt Limit (10% of Assessed Value)	<u>10%</u>
Maximum Debt Limit	756,247,367
Total Bonded Debt	237,995,201
Less: Reserve for Retirement of Bonded Debt	<u>6,725,038</u>
Total Debt Applicable to Limit	<u>231,270,163</u>
Legal Debt Margin	<u>\$ 524,977,204</u>

Birdville Independent School District
Ratios of Net General Bonded Debt Outstanding
Last Ten Fiscal Years
UNAUDITED

Schedule XII

Fiscal Year	Taxable Assessed Value	Gross Bonded Debt ^a	Less Reserve for Retirement of Bonded Debt	Net Bonded Debt	Net Bonded Debt as Percentage of Assessed Value	Net Bonded Debt Per Capita ^b
2001	\$ 4,712,674,096	\$ 158,184,767	\$ 3,698,505	\$ 154,486,262	3.28%	\$ 1,216
2002	5,204,280,044	161,256,968	2,886,373	158,370,595	3.04%	1,226
2003	5,668,493,380	152,958,037	2,977,323	149,980,714	2.65%	1,142
2004	5,899,556,044	146,953,809	3,550,879	143,402,930	2.43%	1,091
2005	6,165,856,861	140,315,298	1,879,722	138,435,576	2.25%	1,041
2006	6,357,870,019	172,843,322	1,730,603	171,112,719	2.69%	1,264
2007 ⁽¹⁾	6,755,819,844	251,475,318	4,643,536	246,831,782	3.65%	1,816
2008	7,052,993,271	234,385,476	4,379,191	230,006,285	3.26%	1,669
2009	7,556,727,742	255,639,100	6,883,632	248,755,468	3.29%	1,798
2010	7,562,473,674	237,995,201	6,725,038	231,270,163	3.06%	1,667

⁽¹⁾ Fiscal year end was changed from August 31 to June 30 effective September 1, 2006.

Source of Information: Tarrant County Tax Office and Birdville Independent School District Audited Financial Statements.

^a The District's bonded indebtedness consists of General Obligation Bonds.

^b See Schedule XIII for population data.

**Birdville Independent School District
Demographic and Economic Statistics
Last Ten Fiscal Years
UNAUDITED**

Schedule XIII

Fiscal Year	Estimated Population ^a	Personal Income ^b	Per Capita Personal Income ^b	Student Enrollment ^c	ADA ^d	Free/Reduced Lunch Percentage ^e	Unemployment Rate ^f
2001	127,028	\$ 47,011,291	\$ 31,582	21,246	19,801	26.94%	3.71%
2002	129,200	47,735,316	31,334	21,748	20,424	30.74%	5.43%
2003	131,300	49,066,052	31,605	22,240	20,728	33.38%	6.27%
2004	131,450	52,594,020	33,270	22,449	21,004	37.11%	5.99%
2005	133,000	57,044,015	35,468	22,297	20,732	37.11%	5.36%
2006	135,350	61,858,062	37,479	22,482	20,878	43.42%	4.95%
2007 ⁽¹⁾	135,900	65,870,354	38,499	22,488	20,819	44.03%	4.54%
2008	137,850	68,105,714	38,918	22,007	20,513	46.31%	4.35%
2009	138,350	N/A	N/A	22,505	20,988	47.47%	6.08%
2010	138,700	N/A	N/A	22,897	21,271	52.19%	8.25%

⁽¹⁾ Fiscal year end was changed from August 31 to June 30 effective September 1, 2006.

^a Information obtained from the North Central Texas Council of Governments and includes the cities of Haltom City, North Richland Hills, Richland Hills and Watauga.

^b Information obtained from U.S. Department of Commerce Bureau of Economic Analysis for Tarrant County (information not available by city or district).

^c Information obtained from Texas Education Agency Academic Excellence Indicator System.

^d Information obtained from District records.

^e Information obtained from District Child Nutrition Services. Count as of October of each fiscal year.

^f Information obtained from U.S. Department of Labor Bureau of Labor Statistics for Tarrant County.

N/A - Information is not available.

**Birdville Independent School District
Principal Employers
Current Year and Nine Years Ago
UNAUDITED**

Schedule XIV

Employer ^a	2010			2001		
	Employees ^a	Rank	Percentage of Total Employment ^b	Employees ^a	Rank	Percentage of Total Employment ^b
American Airlines	18,209	1	2.18%	30,000	1	3.90%
Lockheed Martin	13,500	2	1.61%	11,000	2	1.43%
NAS Fort Worth Joint Reserve Base	11,350	3	1.36%			
University of Texas at Arlington	5,300	4	0.63%			
JPS Health Network	4,302	5	0.51%			
Texas Health Harris Methodist Hospital (formerly Harris Methodist Health System)	3,968	6	0.47%	3,868	7	0.50%
Bell Helicopter	3,820	7	0.46%	7,800	3	1.01%
Alcon Laboratories Inc.	3,300	8	0.39%	2,500	10	0.33%
Fidelity Investments	3,200	9	0.38%			
City of Arlington	3,111	10	0.37%			
US Postal Service				6,000	4	0.78%
Delta Airlines				5,000	5	0.65%
Sabre Inc.				5,000	6	0.65%
Burlington Northern Santa Fe				3,100	8	0.40%
Six Flags Over Texas				3,000	9	0.39%

^a Major commercial employers in Tarrant County was obtained from North Central Texas Council of Governments and Fort Worth Chamber of Commerce (information not available by district).

^b Percentages of total employment were calculated using total employment for Tarrant County obtained from U.S. Department of Labor Bureau of Labor Statistics.

Birdville Independent School District
Full-Time Equivalent District Employees by Type
Last Ten Fiscal Years
UNAUDITED

Schedule XV

	Full-time Equivalent Employees as of Fiscal Year End										Percentage Change 2010-2001
	2001	2002	2003	2004	2005	2006	2007 ⁽¹⁾	2008	2009	2010	
Professional Staff											
Teachers	1,350	1,408	1,419	1,355	1,390	1,399	1,405	1,447	1,448	1,489	10%
Professional Support	187	173	197	188	201	203	209	233	218	227	21%
Campus Administration	69	69	67	68	70	71	71	72	72	69	0%
Central Administration	25	46	41	42	27	28	24	19	29	23	-8%
Total Professional Staff	1,631	1,696	1,724	1,653	1,688	1,701	1,709	1,771	1,767	1,808	11%
Educational Aides	244	263	271	293	188	197	265	269	249	262	7%
Auxiliary Staff	848	884	947	830	544	557	557	742	761	784	-8%
Total Staff	2,723	2,843	2,942	2,776	2,420	2,455	2,531	2,782	2,777	2,854	5%

⁽¹⁾ Fiscal year end was changed from August 31 to June 30 effective September 1, 2006.
Source of information: Texas Education Agency Academic Excellence Indicator System and District records.

**Birdville Independent School District
 Teacher Base Salaries
 Last Ten Fiscal Years
 UNAUDITED**

Schedule XVI

Fiscal Year	District Minimum Salary ^a	District Maximum Salary ^a	District Average Salary ^b	Statewide Minimum Salary ^c	Statewide Average Salary ^b
2001	\$ 35,000	\$ 52,750	\$ 42,238	\$ 24,240	\$ 38,361
2002	36,500	54,730	43,599	24,240	39,232
2003	37,000	55,380	43,777	24,240	39,974
2004	38,000	56,780	45,137	24,240	40,478
2005	39,000	58,330	45,539	24,240	41,011
2006	40,100	59,730	46,373	24,820	41,744
2007 ⁽¹⁾	44,255	62,230	51,158	27,320	44,897
2008	46,000	64,355	51,515	27,320	46,179
2009	47,000	66,155	53,462	27,320	47,159
2010	48,000	64,475	54,895	27,320	48,263

⁽¹⁾ Fiscal year end was changed from August 31 to June 30 effective September 1, 2006.

^a Information obtained from District Employee Compensation Plan.

^b Information obtained from Texas Education Agency Academic Excellence Indicator System and PEIMS reports.

^c Information obtained from Texas Education Agency.

Birdville Independent School District
Operating Statistics
Last Ten Fiscal Years
UNAUDITED

Schedule XVII

<u>Fiscal Year</u>	<u>Student Enrollment^a</u>	<u>Teaching Staff^b</u>	<u>Student/Teacher Ratio</u>	<u>Operating Expenditures^c</u>	<u>Expenditures per Student</u>	<u>Government Wide Expenses^d</u>	<u>Expenses per Student</u>
2001	21,246	1,350	15.7	\$ 126,952,209	\$ 5,975	N/A	N/A
2002	21,748	1,408	15.4	134,896,779	6,203	\$ 159,072,999	\$ 7,314
2003	22,240	1,419	15.7	144,414,946	6,493	164,725,239	7,407
2004	22,449	1,355	16.6	144,050,018	6,417	165,757,846	7,384
2005	22,297	1,390	16.0	148,618,799	6,665	170,417,546	7,643
2006	22,482	1,399	16.1	156,901,802	6,979	180,585,849	8,032
2007 ⁽¹⁾	22,488	1,405	16.0	149,596,662	6,652	170,394,384	7,577
2008	22,007	1,447	15.2	172,333,382	7,831	200,899,182	9,129
2009	22,505	1,448	15.5	177,209,114	7,874	205,122,550	9,115
2010	22,897	1,489	15.4	187,494,987	8,189	216,369,984	9,450

⁽¹⁾ Fiscal year end was changed from August 31 to June 30 effective September 1, 2006.

^a See Schedule XIII for student enrollment information.

^b Reported in full-time equivalents. See schedule XV for teaching staff information.

^c Operating Expenditures are total governmental funds expenditures less debt service and capital outlay. Information obtained from Birdville Independent School District Audited Financial Statements.

^d The District began to report government-wide information with the implementation of GASB Statement No. 34 in 2002. Information obtained from Birdville Independent School District Audited Financial Statements.

N/A - Information is not available.

Birdville Independent School District
Capital Assets Information
Last Ten Fiscal Years
UNAUDITED

	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
Schools					
High					
Buildings	3	3	3	3	3
Square Feet	884,873	884,873	884,873	884,873	884,873
Capacity	6,807	6,807	6,807	6,807	6,807
Enrollment	5,863	6,058	6,452	6,497	6,545
Middle					
Buildings	7	7	7	7	7
Square Feet	679,071	679,071	679,071	679,071	679,071
Capacity	5,543	5,543	5,543	5,543	5,543
Enrollment	5,078	5,215	5,178	5,212	5,103
Elementary					
Buildings	20	20	20	20	21
Square Feet	1,120,837	1,131,933	1,131,933	1,131,933	1,205,276
Capacity	10,576	10,880	10,880	10,880	11,007
Enrollment	10,305	10,475	10,610	10,740	10,649
Other^a					
Buildings	1	1	1	1	1
Square Feet	153,292	153,292	153,292	153,292	153,292
Administration					
Buildings	4	4	4	4	4
Square Feet	99,265	108,395	108,395	108,395	108,395
Athletics					
Coliseum	1	1	1	1	1
Stadiums	2	2	2	2	2
Football/Soccer/Game Fields	10	10	10	10	10
Running Tracks	4	4	4	4	4
Baseball/Softball Fields	6	6	6	6	6
Playgrounds	20	20	20	20	21
Physical Fitness Areas	-	-	-	7	7
Concession Stands	12	12	12	12	12
Portable Buildings					
Buildings	72	72	72	72	72
Square Feet	105,684	105,684	105,684	105,684	105,684

^a Includes a multi-use facility (administrative and alternative education) and a career and technology facility. Student enrollment in these facilities included with their home campus.

Schedule XVIII

2006	2007	2008	2009	2010
3	3	3	3	3
884,873	884,873	884,873	884,873	1,101,818
6,807	6,807	6,807	6,807	7,052
6,567	6,518	6,468	6,370	6,383
7	7	7	7	7
679,071	679,071	679,071	701,472	701,472
5,543	5,543	5,543	5,963	5,963
4,965	4,839	4,738	5,030	5,110
21	21	21	21	21
1,205,276	1,205,276	1,205,276	1,302,036	1,302,036
11,007	11,007	11,007	11,936	11,936
10,950	11,131	10,801	11,105	11,404
1	1	1	2	2
153,292	155,158	155,158	260,540	260,540
4	4	4	4	4
108,395	108,395	108,395	108,395	108,395
1	1	1	1	1
2	2	2	2	2
10	10	10	10	10
4	4	11	11	11
6	6	6	6	6
21	21	21	21	21
7	7	7	7	7
12	12	12	12	12
71	71	71	70	69
104,184	104,184	104,184	102,684	102,024



Birdville Independent School District

All students succeed in a future they create.

Compliance
and
Federal
Awards
Section



BIRDVILLE INDEPENDENT SCHOOL DISTRICT



Birdville Independent School District

All students succeed in a future they create.

BIRDVILLE INDEPENDENT SCHOOL DISTRICT
 FUND BALANCE AND CASH FLOW CALCULATION WORKSHEET
 FOR THE YEAR ENDED JUNE 30, 2010

UNAUDITED

1	Total General Fund Balance as of 6/30/10 (Exhibit C-1 object 3000 for the General Fund Only)		\$ 48,817,297
2	Total Reserved Fund Balance (from Exhibit C-1 - total of object 3400s for the General Fund Only)	\$ 1,119,439	
3	Total Designated Fund Balance (from Exhibit C-1 - total of object 3500s for the General Fund Only)	12,500,000	
4	Estimated amount needed to cover fall cash flow deficits in the General Fund (Net of borrowed funds and funds representing deferred revenues.)	23,103,409	
5	Estimate of two month's average cash disbursements during the fiscal year.	25,465,261	
6	Estimate of delayed payments from state sources (58xx).	-	
7	Estimate of underpayment from state sources equal to variance between Legislative Payment Estimate (LPE) and District Planning Estimate (DPE) or District's calculated earned state aid amount.	-	
8	Estimate of delayed payments from federal sources (59xx)	-	
9	Estimate of expenditures to be reimbursed to General Fund from Capital Projects Fund (uses of General Fund cash after bond referendum and prior to issuance of bonds)	-	
10	Adjustment to meet Board Policy	-	
11	Optimum Fund Balance and Cash Flow (Lines 2+3+4+5+6+7+8+9+10)		<u>62,188,109</u>
12	Excess (Deficit) Undesignated Unreserved General Fund Balance (Line 1 minus Line 11)		<u>\$ (13,370,812)</u>



Birdville Independent School District

All students succeed in a future they create.

MEMBERS:
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC
ACCOUNTANTS
TEXAS SOCIETY OF CERTIFIED
PUBLIC ACCOUNTANTS

**HANKINS, EASTUP, DEATON,
TONN & SEAY**
A PROFESSIONAL CORPORATION

CERTIFIED PUBLIC ACCOUNTANTS

902 NORTH LOCUST
P.O. BOX 977
DENTON, TEXAS 76202-0977
TEL. (940) 387-8563
FAX (940) 383-4746

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Board of Trustees
Birdville Independent School District
Haltom City, Texas

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Birdville Independent School District (the "District") as of and for the year ended June 30, 2010, which collectively comprise the District's basic financial statements and have issued our report thereon dated November 3, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of management, the Board of Trustees, others within the District, the Texas Education Agency, and appropriate federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Hankins, Eastup, Deaton, Tonn & Seay

Hankins, Eastup, Deaton, Tonn & Seay
A Professional Corporation
Certified Public Accountants

November 3, 2010

MEMBERS:
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC
ACCOUNTANTS
TEXAS SOCIETY OF CERTIFIED
PUBLIC ACCOUNTANTS

**HANKINS, EASTUP, DEATON,
TONN & SEAY**
A PROFESSIONAL CORPORATION

CERTIFIED PUBLIC ACCOUNTANTS

902 NORTH LOCUST
P.O. BOX 977
DENTON, TEXAS 76202-0977
TEL. (940) 387-8563
FAX (940) 383-4746

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

Board of Trustees
Birdville Independent School District
Haltom City, Texas

Compliance

We have audited the compliance of Birdville Independent School District (the "District") with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2010. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of finding and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the District's management. Our responsibility is to express an opinion on the District's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and *OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the District's compliance with those requirements.

In our opinion, the District complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2010.

Internal Control Over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the District's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of management, the Board of Trustees, others within the District, the Texas Education Agency, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Hankins, Eastup, Deaton, Tonn & Seay
Hankins, Eastup, Deaton, Tonn & Seay
A Professional Corporation
Certified Public Accountants

November 3, 2010

**BIRDVILLE INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2010**

SECTION I – SUMMARY OF AUDITORS' RESULTS

Financial Statements

An unqualified opinion was issued on the financial statements.

Internal control over financial reporting:

- Material weakness(es) identified? Yes No
- Deficiencies in internal control identified that are not considered to be material weakness(es)? Yes None reported
- Noncompliance material to financial statements noted? Yes No

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? Yes No
- Deficiencies in internal control identified that are not considered to be material weakness(es)? Yes None reported

An unqualified opinion was issued on compliance for major programs.

- Any audit findings disclosed that are required to be reported in accordance with section 510(a) or Circular A-133? Yes No

**BIRDVILLE INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2010**

SECTION I – SUMMARY OF AUDITORS' RESULTS – CONTINUED

Identification of major programs:

<u>CFDA Number</u>	<u>Program</u>
------------------------	----------------

Title I Cluster:

84.010A	ESEA, Title I, Part A - Improving Basic Programs
84.389	ESEA, Title I, A-ARRA - Improving Basic Programs

Special Education Cluster:

84.027	IDEA - Part B, Formula
84.027	IDEA - Part B, Discretionary
84.027	IDEA - Part B, Deaf
84.173	IDEA - Part B, Preschool
84.173	IDEA - Part B, Preschool Deaf
84.391	IDEA - Part B, Formula - ARRA
84.392	IDEA - Part B, Preschool – ARRA
84.287	Title IV, Part B, 21 st Century Community Learning Cent.
84.394	Title XIV, State Fiscal Stabilization Fund – ARRA

- Dollar threshold used to distinguish between type A and type B programs? \$871,798

Auditee qualified as low-risk auditee? Yes No

SECTION II – FINANCIAL STATEMENT FINDINGS

None

SECTION III – OTHER FINDINGS

None

**BIRDVILLE INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF PRIOR AUDIT FINDINGS
JUNE 30, 2010**

No prior audit findings.

**BIRDVILLE INDEPENDENT SCHOOL DISTRICT
CORRECTIVE ACTION PLAN
JUNE 30, 2010**

Finding Number

Corrective Action Plan

None required.

BIRDVILLE INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2010

(1)	(2)	(3)	(4)
FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM or CLUSTER TITLE	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. DEPARTMENT OF EDUCATION			
<u>Passed Through State Department of Education</u>			
Adult Education (ABE) - Federal	84.002	104100087110349	\$ 102,000
ESEA, Title I, Part A - Improving Basic Programs	84.010A	10610101220902	3,105,368
IDEA - Part B, Formula	84.027	106600012209026600	3,497,786
SSA - IDEA - Part B, Discretionary	84.027	106600022209026673	45,770
SSA - IDEA - Part B, Deaf	84.027	106600012209026601	22,335
Total CFDA Number 84.027			3,565,891
Career and Technical - Basic Grant	84.048	10420006220902	257,790
IDEA - Part B, Preschool	84.173	106610012209026610	122,354
SSA - IDEA - Part B, Preschool Deaf	84.173	106610012209026611	4,118
Total CFDA Number 84.173			126,472
SSA - IDEA, Part C - Early Intervention (Deaf)	84.181A	103911012209023911	944
ESEA Title IV, Pt. A - Safe and Drug-Free Schools	84.186A	10691001220902	67,477
ESEA, Title I, Part B - Even Start Family Literacy	84.213	106120027110012	139,369
Title IV, Pt B-21st Cent. Community Learning Cent.	84.287	096950137110006	1,619,012
Title II, Part D -Enhancing Ed. Through Technology	84.318	10630001220902	39,294
Title III, Part A - English Language Acquisition	84.365A	10671001220902	360,272
ESEA, Title II, Part A, Teacher/Principal Training	84.367A	10694501220902	797,574
Summer School LEP	84.369A	69550902	23,610
Title II D Enhancing Ed. Through Technology - ARRA	84.386	10553001220902	2,787
ESEA, Title I, A - ARRA - Improving Basic Programs	84.389	10551001220902	1,016,502
IDEA, Part B, Formula - ARRA	84.391	10554001220902	2,142,717
IDEA, Part B, Preschool - ARRA	84.392	10555001220902	44,387
Title XIV, State Fiscal Stabilization Fund - ARRA	84.394	10557001220902	9,348,080
Total Passed Through State Department of Education			\$ 22,759,546
TOTAL DEPARTMENT OF EDUCATION			\$ 22,759,546
U.S. DEPARTMENT OF AGRICULTURE			
<u>Passed Through the State Department of Agriculture</u>			
School Breakfast Program*	10.553	71400901	\$ 1,234,139
National School Lunch Program - Cash Assistance*	10.555	71300901	4,550,102
National School Lunch Prog. - Non-Cash Assistance*	10.555	71300901	516,148
Total CFDA Number 10.555			5,066,250
Total Passed Through the State Department of Agriculture			\$ 6,300,389
TOTAL DEPARTMENT OF AGRICULTURE			\$ 6,300,389
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$ 29,059,935

*Clustered Programs as required by Compliance Supplement March, 2010

BIRDVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2010

1. The District utilizes the fund types specified in the Texas Education Agency *Financial Accountability System Resource Guide*.

Special Revenue Funds – are used to account for resources restricted to, or designated for, specific purposes by a grantor. Federal and state awards generally are accounted for in a Special Revenue Fund. Generally, unused balances are returned to the grantor at the close of specified project periods.

2. The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The Governmental Fund types are accounted for using a current financial resources measurement focus. All federal grant funds were accounted for in the General Fund or Special Revenue Fund, components of the Governmental Funds. With this measurement focus, only current assets and current liabilities and the fund balance are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The modified accrual basis of accounting is used for the Government Funds. This basis of accounting recognizes revenues in the accounting period in which they become susceptible to accrual, i.e., both measurable and available, and expenditures in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on long-term debt, which is recognized when due, and certain compensated absences and claims and judgments, which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

Federal grant funds are considered to be earned to the extent of expenditures made under the provisions of the grants, and, accordingly, when such funds are received, they are recorded as deferred revenues until earned.

3. The National School Lunch Program (CFDA 10.555) received like kind goods. The monetary value of these goods was \$516,148 for the year ended June 30, 2010.
4. ROTC reimbursements of \$262,774, SHARS reimbursements of \$348,398, and Texas Department of Health Medicaid reimbursements of \$16,071, all of which are recorded as federal revenue in the General Fund, are not considered for purposes of the Schedule of Expenditures of Federal Awards.
5. The District participates in numerous state and federal grant programs, which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustments by the grantor agencies; therefore, to the extent that the District has not complied with the rules and regulations governing the grants, refund of any money received may be required and the collectibility of any related receivable at June 30, 2010, may be impaired. In the opinion of the District, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provision has been recorded in the accompanying combined financial statements for such contingencies.